

MEDIA SUSTAINABILITY INDEX 2004



DEVELOPMENT OF SUSTAINABLE INDEPENDENT MEDIA
IN EUROPE AND EURASIA

MEDIA
SUSTAINABILITY
INDEX
2004



IREX

MEDIA SUSTAINABILITY INDEX 2004

The Development of Sustainable Independent Media in Europe and Eurasia
www.irex.org/msi

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USAID

The United States Agency for International Development (USAID) is an independent agency that provides economic, development, and humanitarian assistance around the world in support of the foreign-policy goals of the United States. The agency works to support long-term and sustainable economic growth and advances US foreign-policy objectives by supporting:

- Economic growth, agriculture, and trade
- Global health
- Democracy, conflict prevention, and humanitarian assistance

USAID provides assistance in four regions of the world:

- Sub-Saharan Africa
- Asia and the Near East
- Latin America and the Caribbean
- Europe and Eurasia

With headquarters in Washington, DC, USAID's strength is its field offices around the world. It works in close partnership with private voluntary organizations, indigenous organizations, universities, American businesses, international agencies, other governments, and other US government agencies. USAID has working relationships with over 3,500 American companies and over 300 US-based private voluntary organizations.

IREX

IREX is an international nonprofit organization specializing in education, independent media, Internet development, and civil-society programs. Through training, partnerships, education, research, and grant programs, IREX develops the capacity of individuals and institutions to contribute to their societies.

Since its founding in 1968, IREX has supported more than 20,000 students, scholars, policymakers, business leaders, journalists, and other professionals. Currently, IREX is implementing 40 programs in more than 50 countries with offices in 17 countries across Europe, Eurasia, the Middle East and North Africa, and the United States. IREX serves as a major resource for universities, governments, and the corporate sector in understanding international political, social, economic, and business developments.



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ACCORDING TO MARK POMAR, PRESIDENT OF IREX: "AS THE DRAMATIC EVENTS IN GEORGIA AND UKRAINE HAVE SHOWN, THERE IS A STRONG CORRELATION BETWEEN FREE MEDIA AND DEMOCRATIC GOVERNMENT. THE MSI IS A UNIQUE TOOL THAT ANALYZES THE STATE OF INDEPENDENT MEDIA AND, IN THE PROCESS, DEVELOPS IMPORTANT INDICATORS OF POLITICAL CHANGE."



I am pleased to introduce the Media Sustainability Index (MSI) 2004. For the fourth consecutive year, the MSI provides in-depth analysis of the conditions for independent media in 20 countries across Europe and Eurasia. Since it was first conceived in 2000, in cooperation with the United States Agency for International Development (USAID), the MSI has evolved into an important benchmark study to assess how media structures change over time and across borders.


We are pleased that so many media professionals, aid experts, policymakers, and journalists have found the MSI to be a valuable resource. We are particularly proud of the role of media professionals in each of the countries assessed. They provide the study with the inside knowledge and insight that outside evaluators often cannot fully capture. Their presence also serves notice to repressive governments that independent media have a continuing voice.

IREX would like to thank all those who contributed to the publication of the MSI 2004. Participants, moderators, and observers for each country, listed after each chapter, provided the primary observations and analysis for this project. At IREX, Michael Clarke, Theo Dolan, Andrea Lemieux, Maggie McDonough, Drusilla Menaker, and Mark Whitehouse provided either analytical or editorial support to the project. IREX field staff across the region provided either logistical support or participated in panels as members or moderators. Theo Dolan managed the overall implementation of the project.

At USAID, Peter Graves and numerous field-based staff have provided important assistance, ranging from comments on the content of the study to assistance with panels, serving in some cases as members or observers. All are essential supporters of independent media and advocates for the MSI as an analytical tool for development professionals.

We hope you will find this report useful, and we welcome any feedback.

Sincerely,



Mark G. Pomar

President, IREX

AS THE MSI 2004 WENT TO PRESS, KYRGYZSTAN REMAINED IN CHAOS FOLLOWING A REVOLUTION THAT COULD YIELD EVEN MORE UNPREDICTABLE RESULTS IN THE MEDIA SECTOR. THE EVENTS IN KYRGYZSTAN COULD RESULT IN OPPORTUNITIES FOR MOVEMENT FORWARD UNLESS THE NEW GUARD OF POLITICIANS TURNS OUT TO HAVE THE SAME APPROACHES, INCLUDING TOWARD MEDIA INDEPENDENCE, AS THE OLD GUARD.



The Media Sustainability Index (MSI) 2004 provides a qualitative and quantitative analysis of media development in 20 countries over a four-year span from 2001 through 2004. Some trends, both negative and positive, mark the media environments in countries in Europe and Eurasia consistently over time, while other patterns are more spontaneous. For example, politicized media coverage and self-censorship serve as persistent obstacles to development in almost all of the countries reviewed. By contrast, recent revolutions in two countries sparked improvements in their respective media sectors. While the evolutionary trends evident in the MSI 2004 are significant for their consistency across multiple countries, the revolutionary trends could prove to be just as formative, if they maintain their staying power.

Positive Trends

The Revolution Effect

In Georgia in 2003 and Ukraine in 2004, revolutions have been partly shaped by active media sectors just as media have been altered by revolution. Following the Rose Revolution in Georgia, far-reaching changes unfolded during 2004. According to the 2004 MSI scores, Georgia's media moved forward in all categories—except supporting institutions, which remained fairly constant. Passage of a law guaranteeing freedom of speech, the legislative approval of a new tax code exempting print media from almost all taxes, declining crimes against journalists, and more public access to a variety of media all contributed to advancing the media system. Furthermore, foreign direct investment in the media increased, largely without interference from political influence.

Despite these improvements, however, the continuing evolution of the Georgian media sector is not guaranteed over the longer term. In fact, media seemed to allow the new government a grace period from objective coverage following the revolution. As many media owners had supported the politicians ascending to office, self-censorship began to increase. If progress in Georgia's media continues, it will be marked by the effective implementation of legal reforms and further progress in business management, the two most significant scoring increases from 2003 to 2004.

Prior to the elections on October 31, 2004, in Ukraine, journalists were consistently pressured by the government, and there was little professionalism in news coverage. Broadcast media abided by *temniki*, the unofficial but strict guidelines imposed on news reporting. But after the second round of voting, major changes occurred. Journalists reacted against the political pressure and cast aside the *temniki*. The mostly negative coverage of presidential candidate and eventual winner Viktor Yushchenko became suddenly more balanced and awakened eastern Ukraine to another political perspective. Regional news outlets were key conduits in providing objective coverage as the Orange Revolution took place.

In Ukraine, the euphoria that followed the Orange Revolution resulted in a jump in MSI scores despite poor performance during the rest of the year. Furthermore, the favor of the traditional ownership of national media has often followed the political power, meaning that media might simply switch loyalty to the Yushchenko regime without improving the professionalism of their reporting. Clearly, a longer-term view is necessary to gauge whether there is enduring progress in the regional media. But for now there is no discounting the evidenced improvement in professionalism and business development, trends that bear watching in 2005 and beyond.

As the MSI 2004 went to press, Kyrgyzstan remained in chaos following a revolution that could yield even more unpredictable results in the media sector. With much of Central Asia mired in a weak and repressed media environment, the events in Kyrgyzstan could result in opportunities for movement forward unless the new guard of politicians—many of whom served under former President Akayev—turns out to have the same approaches, including toward media independence, as the old guard.

Media Plurality

An evolutionary trend experienced in most of the 20 countries covered by the MSI is the increasing availability of information sources. The ubiquity of media sources is consistent in the more developed countries of Southeast Europe as well as those in Central Asia. While the plurality of media does not necessarily equate to quality or diversity of coverage or affordability of media, these factors are improving as well. In Albania, for example, media plurality is “one of the undeniable successes of the country.” In Bulgaria, scores indicate consistent improvement in the availability of quality media that has stood the test of time and political shifts. Furthermore, many of the 20 countries (with nearly half demonstrating that the plurality of news sources is sustainable or nearly sustainable for this indicator in 2004) do not overtly restrict access to media, with the main obstacle being the financial limitations of the people, especially in rural regions. As economies in many countries improve and Internet access expands, more affordable and more accessible media likely will be available going forward. However, news and information continue to be scarce in rural regions, particularly in Central Asia and the Caucasus, a serious problem that shows little chance of abating in the near term.

On the other hand, the large number of print media—particularly in countries such as Albania and Montenegro—is not sustainable and should decline

over time as the media market matures. This does not necessarily imply a reversal in democratic trends, as fewer but stronger commercially viable and therefore more independent outlets can provide citizens with information of greater breadth and depth. Currently in Serbia, for example, the high number of media outlets tends to damage the objectivity and reliability of sources because many sensationalize to boost readership or viewership.

Business Management

Another positive, yet slowly emerging trend is seen in advances in aspects of business management. In many countries addressed by the MSI, improving advertising markets have meant more revenues for media outlets. In Ukraine, ad sales were up in 2004 due to a booming economy. In Georgia, ad income exceeded that of sales and subscription revenue. In Moldova, ad revenues increased in 2004 despite low foreign direct investment and television competition from Romania. In Bulgaria, ads provided a sound source of revenue in 2004. Serbia was marked by a dynamic advertising market and ad revenues that appeared to be on an upward cycle, despite higher operating costs. In addition to the gradually improving ad market, many print media benefit from tax breaks, especially from the value-added tax (VAT).

While increasing revenue from advertising does not guarantee a sustainable and independent media, it certainly provides an important underpinning for progress against other challenges. The MSI data show an increase or relative consistency in the competency of business management from 2001 to 2004. However, some media in Central Asia have not yet started to benefit from development of the advertising market. In those countries, advertising contracts are too often used as political tools, and cronyism frequently dictates where ad money is directed.

Negative Trends

Media Law Implementation

One of the most pervasive negative trends facing media in the countries reviewed is the weak judicial sector and grievous shortcomings in effectively implementing legislation designed, at least in theory, to protect free speech and regulate media fairly and transparently. While many countries have good laws on the books, most MSI panels reacted strongly to the failure to put them into practice. In fact, the average score for this specific category is 1.94, indicating the

unsustainable implementation of media laws in 2004. According to one panelist in Azerbaijan, “The law and its implementation are united. If the existence of the law was presented separately, it could be scored as a 3.5 (out of 4). But the implementation brings the score equal to 0.” Problems in implementing free-speech legislation were noted in one form or another by all countries except Croatia.

Another aspect is the court system’s failure to adjudicate media-related cases fairly. MSI panelists from many countries mentioned that judges and lawyers are poorly trained and often either politically motivated or corrupt. In cases such as Russia, courts are used as political tools to pressure media, particularly in the run-up to elections. In Montenegro and Kazakhstan, among other countries, libel still is included in the criminal code, and civil suits are often used purely to punish journalists and media outlets. In several countries, the legal burden of proof falls to the defendant, as in Moldova and Albania. These factors, combined with a public that is generally apathetic about violations of free-speech rights and a journalism community that is unaware of its rights, suggest this trend could continue downward in the coming years.

Self-Censorship

Poor legal implementation is closely linked to another negative trend, ubiquitous self-censorship. Self-censorship takes place because journalists are afraid of losing their jobs with no labor contracts in place, as in Albania and Central Asia. Self-censorship also flourishes because journalists fear legal persecution through the underdeveloped court systems. There are more subtle forms of self-censorship as well. For example, even with the improvements in Georgia following the revolution, journalists are loath to criticize the new government during a post revolution grace period.

Political and business pressure on media routinely lead to self-censorship. This is evidenced in Ukraine, where coverage shifted from an overwhelmingly negative view of Yushchenko to glowing support of him after the revolution. In Romania, one panelist said simply, “We all practice self-censorship.” In Moldova, self-censorship is widespread in both public and private media. In countries such as Albania and Georgia, the trend occurs differently: Crimes against journalists are declining but are replaced by more active self-censorship. The Albanian MSI review notes, “Journalists are simply tired of pressure and threats and have decided to avoid investigating dangerous topics.” Belarus and Central Asian countries such as Kazakhstan all have more virulent forms of self-censorship brought on by political pressure. Across all countries in 2004,

the average score for the indicator dealing with self-censorship was a shockingly low 1.43. This is not to say that media are always the victims of political and business elites. In fact, outlets can be complicit in promoting one interest or another due to their own links to political and business groups.

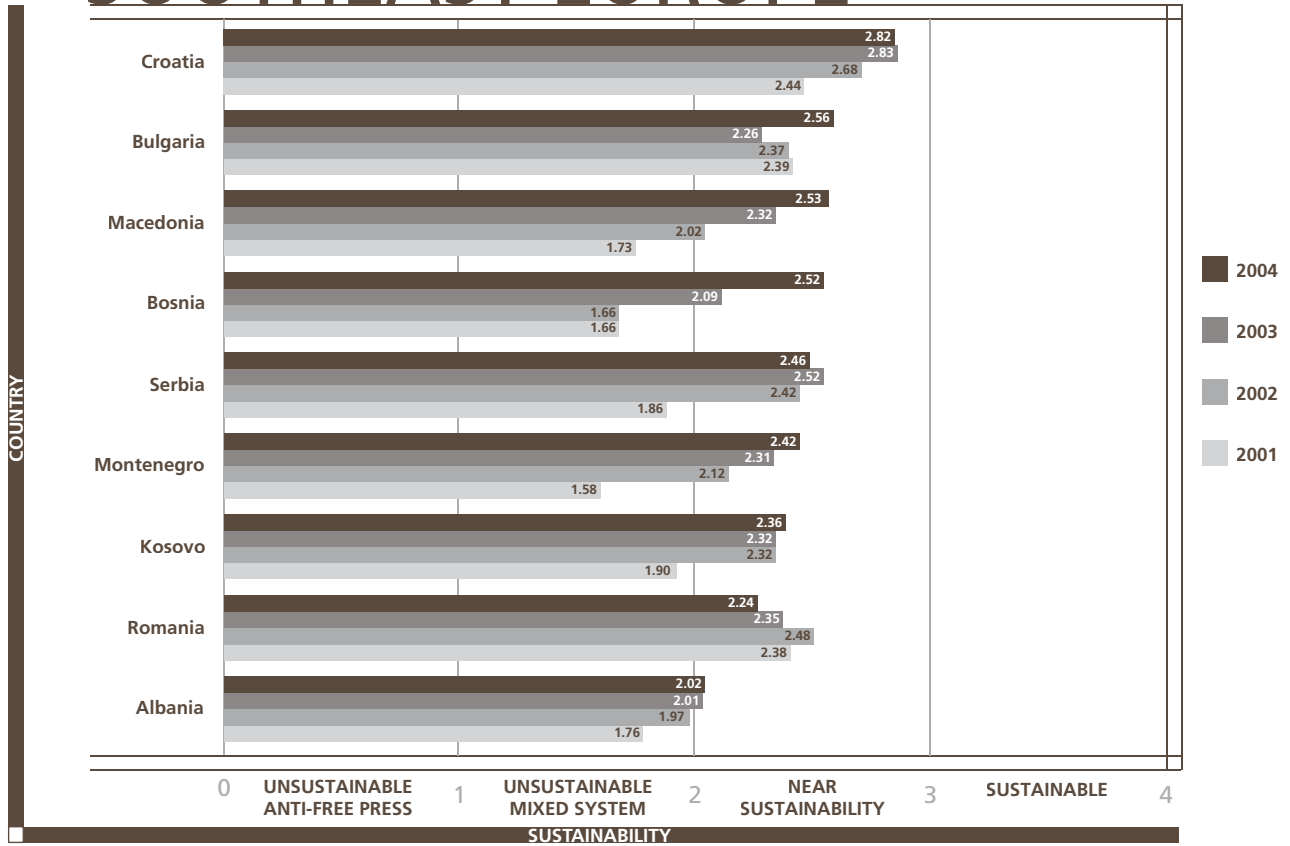
Education

A more subtle, yet still significant, media-development trend is the consistent dearth of sound university journalism education. Faculties with outdated curricula and poor resources are failing to prepare new generations of journalism professionals committed to media independence. Panelists in almost all countries reviewed by the MSI, with the exception of Croatia, reported that journalism students received very little practical training or exposure to modern techniques and equipment. The average score for this indicator in all countries in 2004—1.85—reflects these deficiencies. Furthermore, students who sought a better education outside of their home countries either did not return or came back to take more lucrative jobs in other industries. The poor educational standards throughout the 20 MSI countries portend a continuing struggle to develop professional journalism over the long term. This trend has negative implications beyond the media sector. Young people graduating from journalism faculties without a profound commitment to independent media or proper professional skills will not be fully able to help in establishing the media as a healthy contributor to the economy, or as a counterbalance to the political sector.

With four years of data collected, the MSI now charts significant advances in the media systems of multiple countries, including Montenegro and Macedonia, where there has been significant progress, as well as those such as Belarus and Uzbekistan, where the ruling regimes (sometimes in combination with economic factors) have made even small amounts of progress impossible. The evidence over time makes clear that media systems can make headway on all the facets assessed by the MSI panels and that in some cases this development is significant enough to withstand political change. In the years to come, the MSI will show whether these advances become firmly entrenched in more countries and if change, evolutionary or revolutionary, will bring citizens in more countries the information they need and deserve.

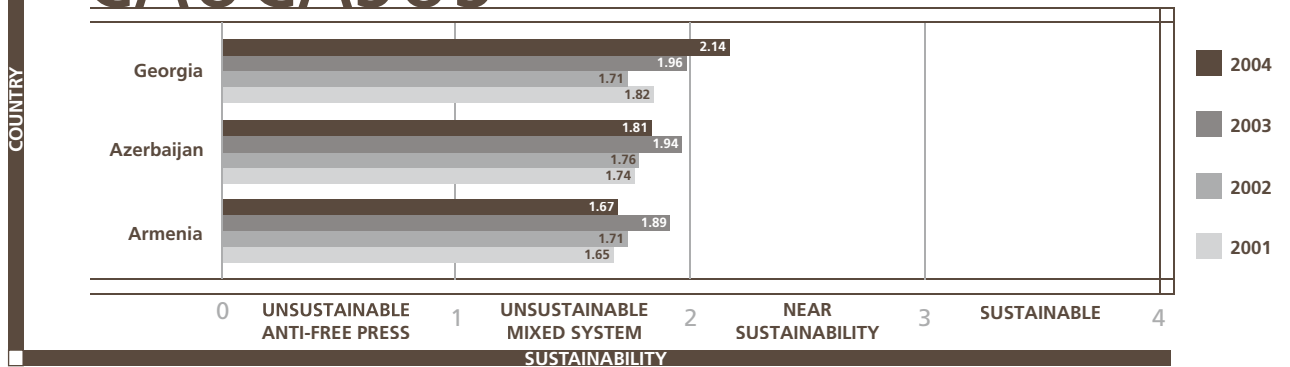
AVERAGE OBJECTIVE SCORES

SOUTHEAST EUROPE



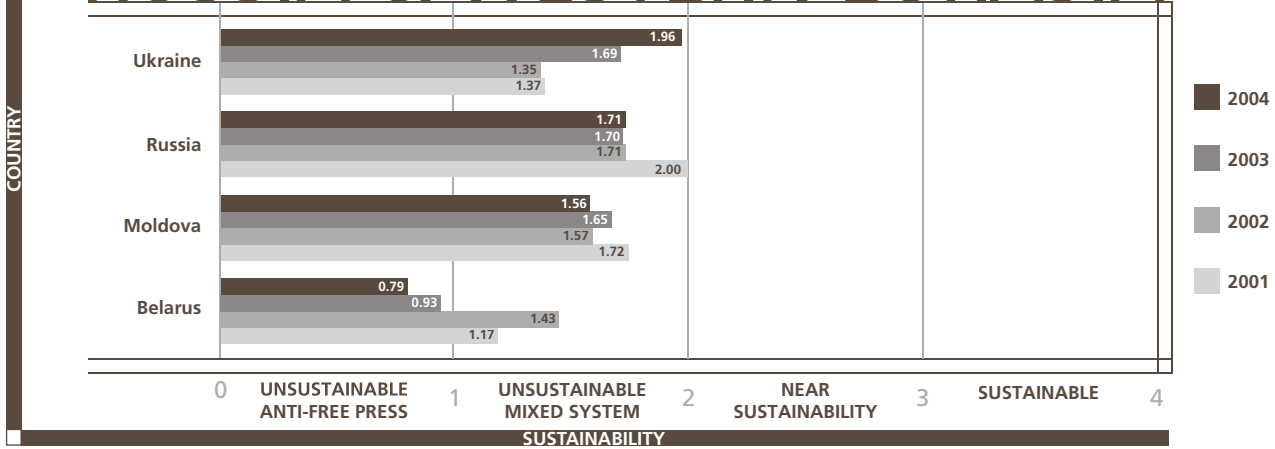
AVERAGE OBJECTIVE SCORES

CAUCASUS



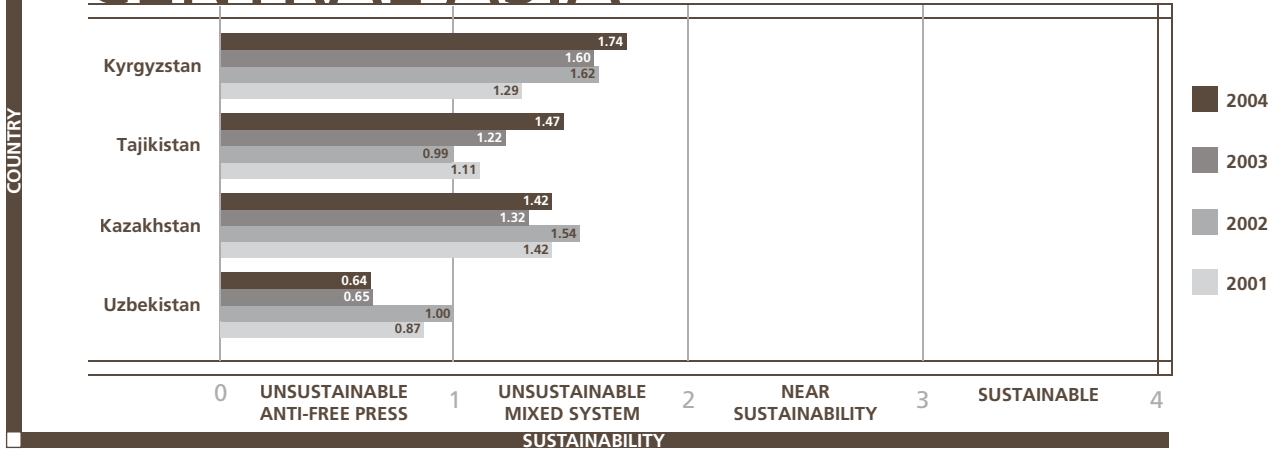
AVERAGE OBJECTIVE SCORES

RUSSIA & WESTERN EURASIA

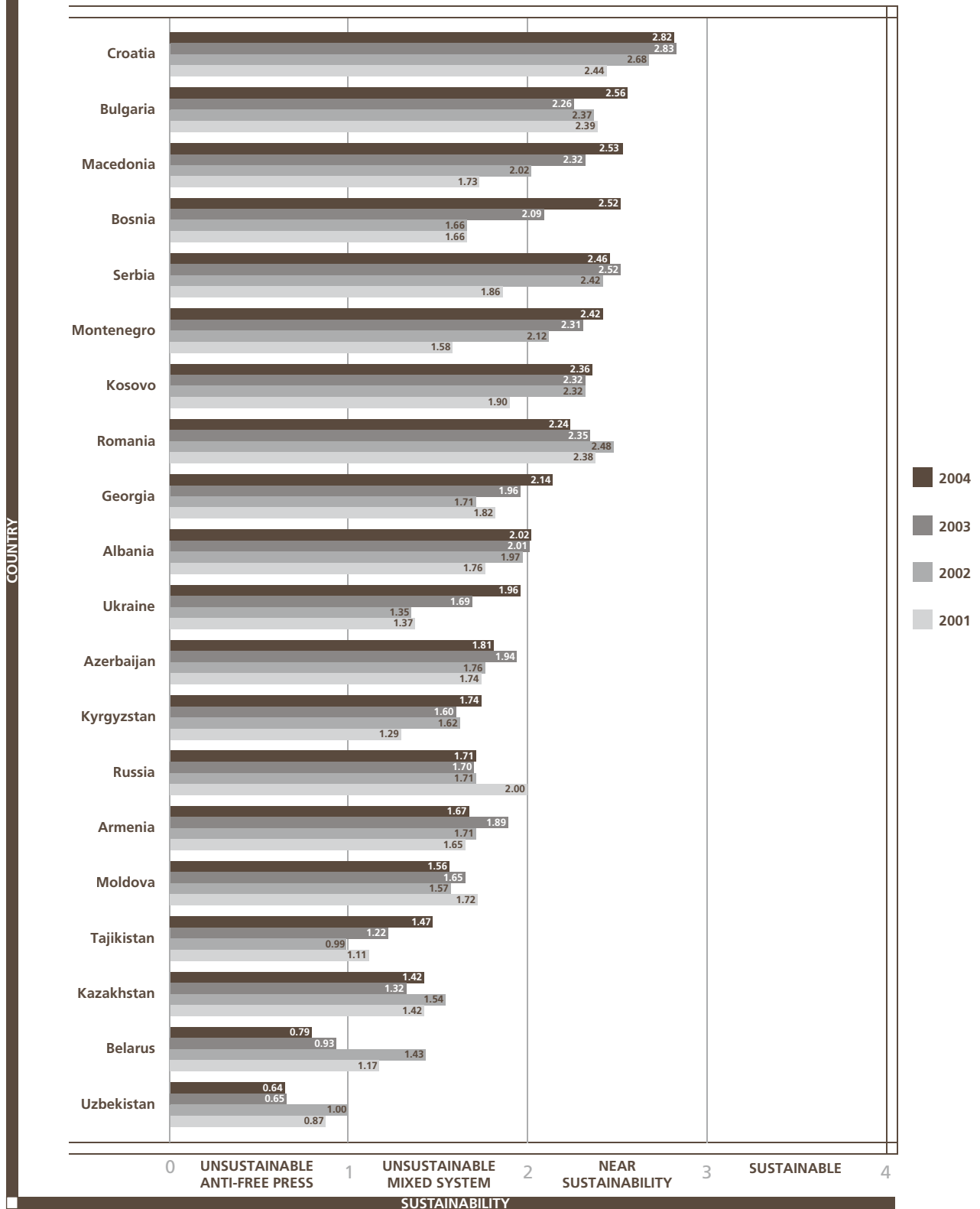


AVERAGE OBJECTIVE SCORES

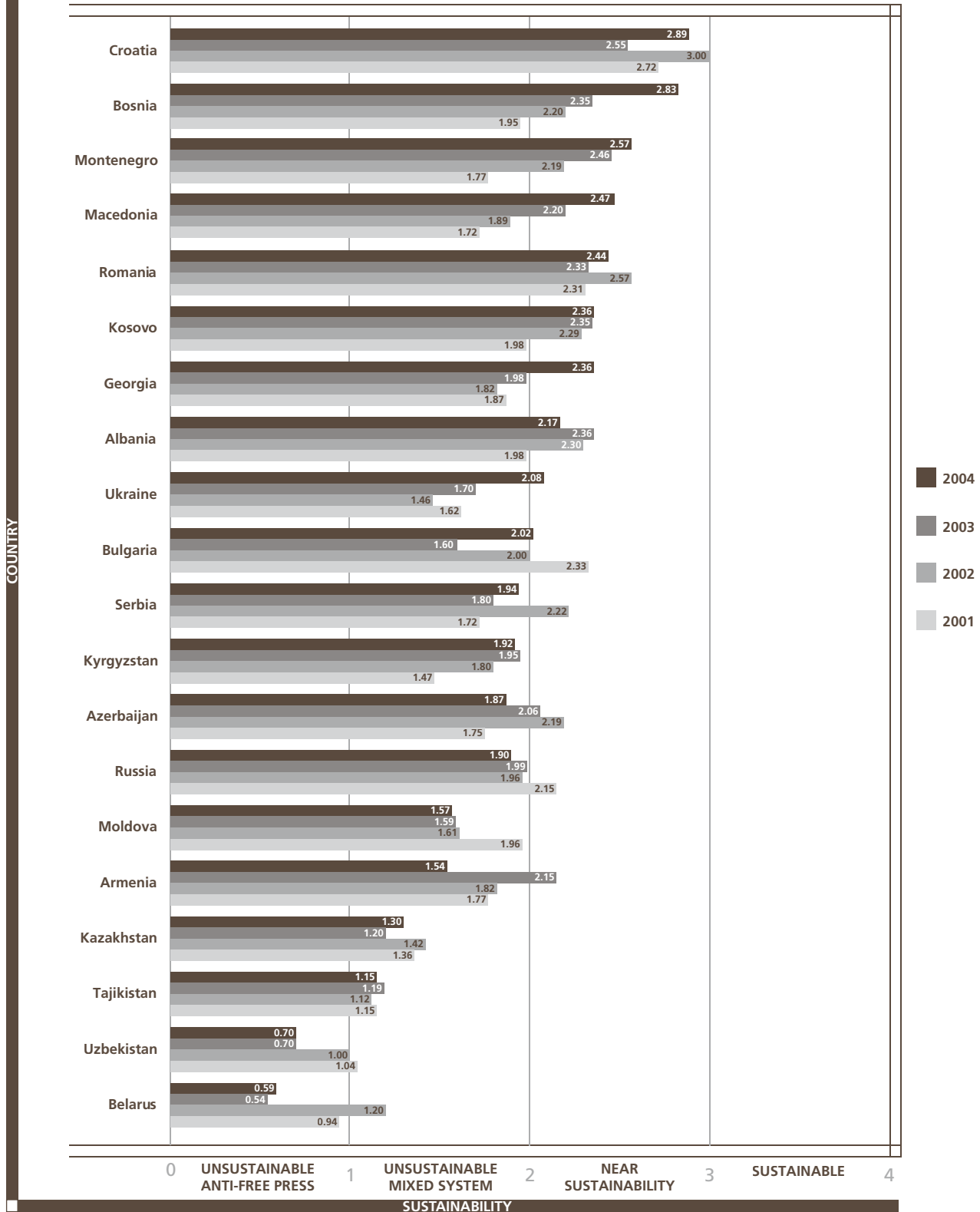
CENTRAL ASIA



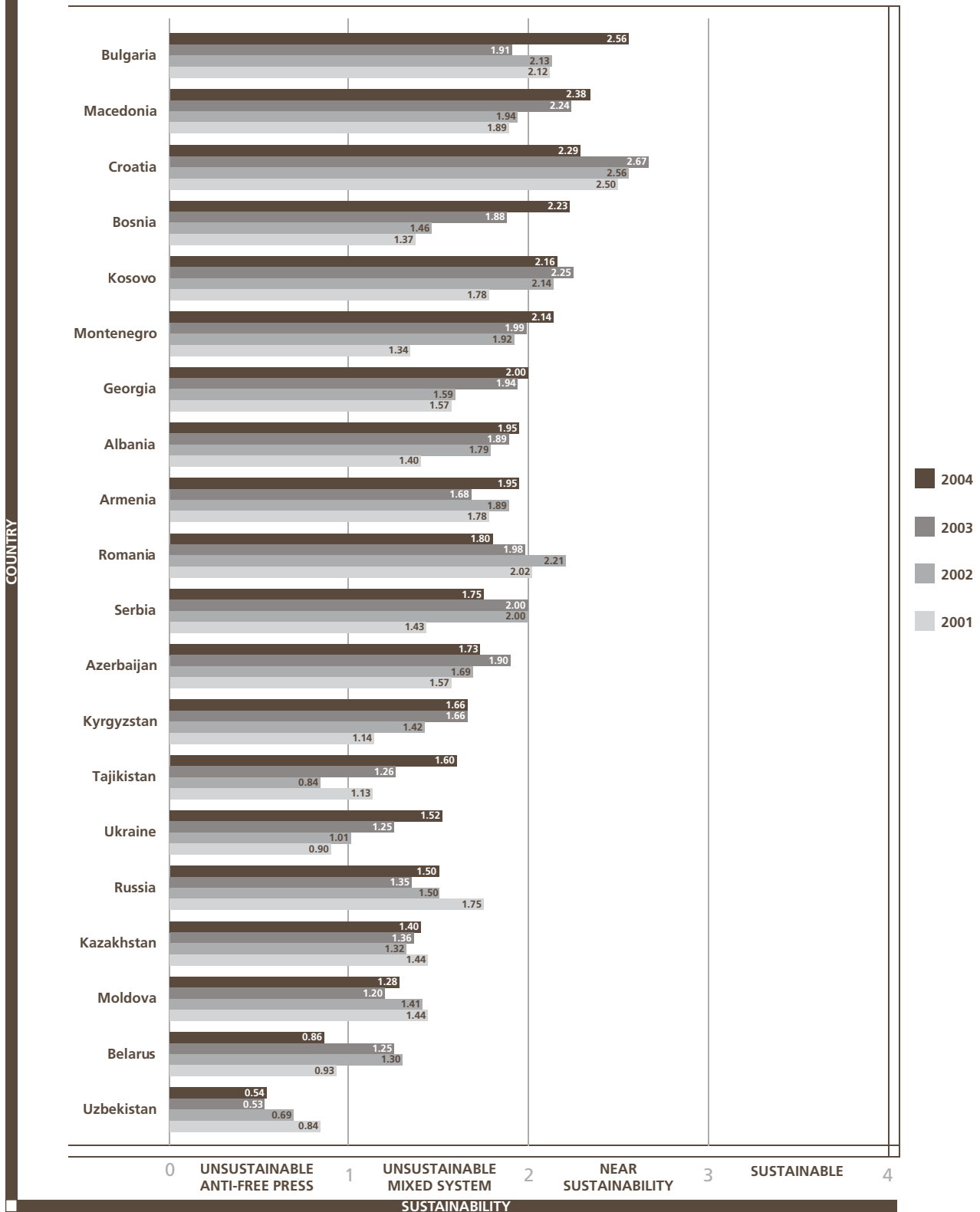
AVERAGE SCORING FOR ALL OBJECTIVES



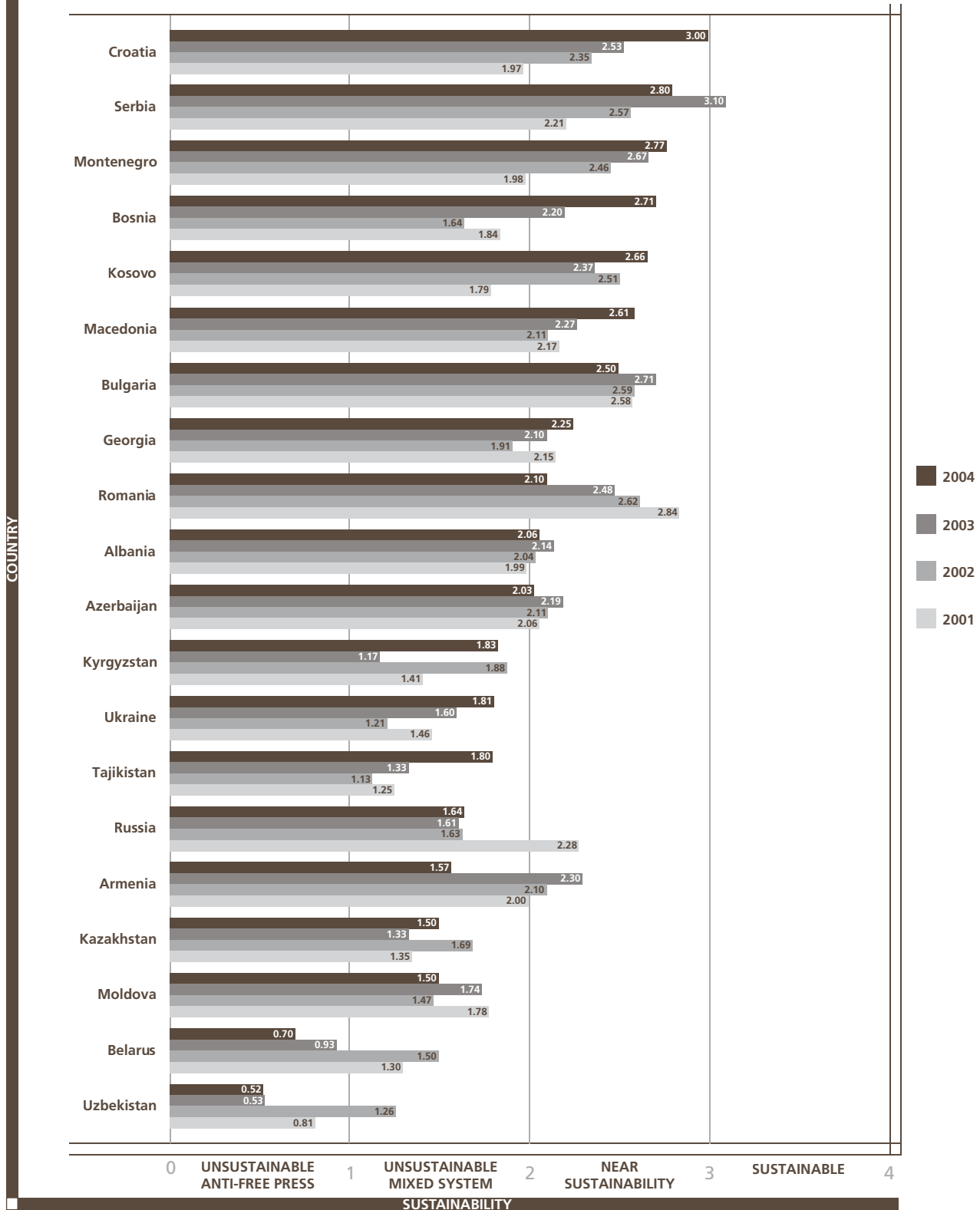
OBJECTIVE 1: FREE SPEECH



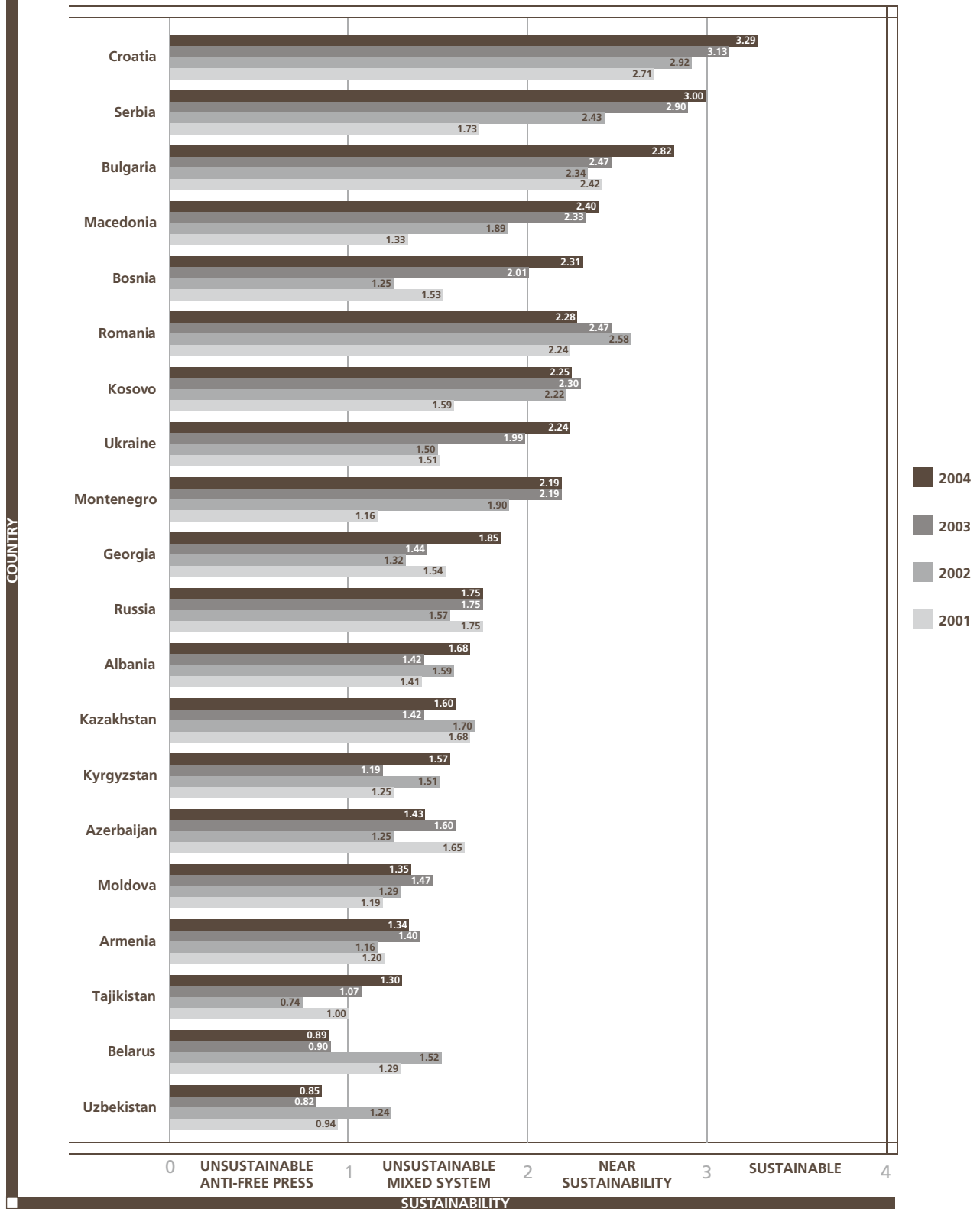
OBJECTIVE 2: PROFESSIONAL JOURNALISM



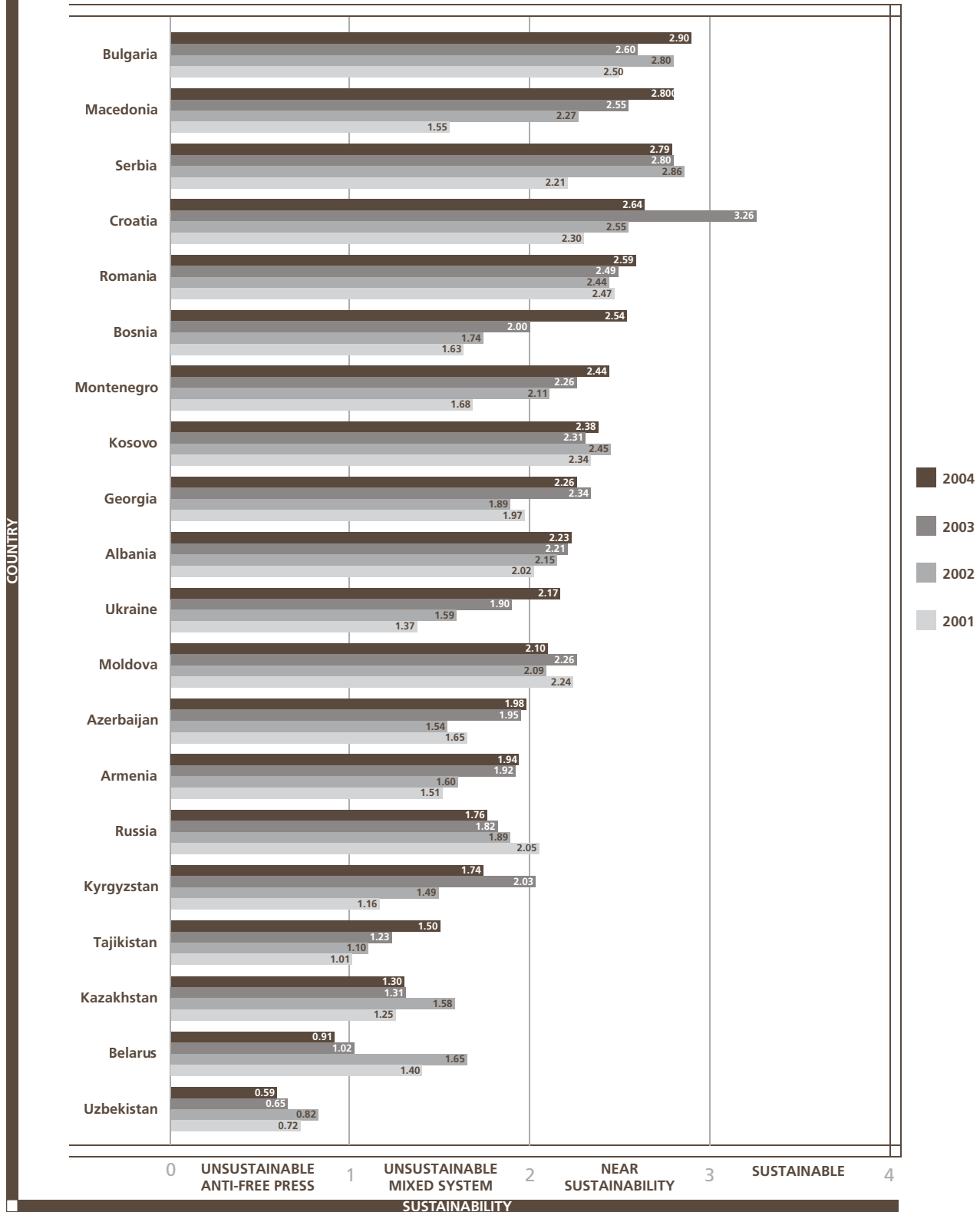
OBJECTIVE 3: PLURALITY OF NEWS SOURCES



OBJECTIVE 4: BUSINESS MANAGEMENT



OBJECTIVE 5: SUPPORTING INSTITUTIONS



THE EVIDENCE OVER TIME MAKES CLEAR THAT MEDIA SYSTEMS CAN MAKE HEADWAY ON ALL THE FACETS ASSESSED BY THE MSI PANELS AND THAT IN SOME CASES THIS DEVELOPMENT IS SIGNIFICANT ENOUGH TO WITHSTAND POLITICAL CHANGE.



IREX prepared the Media Sustainability Index (MSI) in cooperation with the United States Agency for International Development (USAID) as a tool to assess the development of independent media systems over time and across countries. IREX staff, USAID, and other media-development professionals contributed to the development of this assessment tool.

The MSI assesses five “objectives” in shaping a successful media system:

1. Legal and social norms protect and promote free speech and access to public information.
2. Journalism meets professional standards of quality.
3. Multiple news sources provide citizens with reliable and objective news.
4. Independent media are well-managed businesses, allowing editorial independence.
5. Supporting institutions function in the professional interests of independent media.

These objectives were judged to be the most important aspects of a sustainable and professional independent media system and served as the criteria against which countries were rated. A score was attained for each objective by rating seven to nine indicators, which determine how well a country meets that objective. The objectives, indicators, and scoring system are presented below.

The scoring was done in two parts. First, a panel of experts was assembled in each country, drawn from representatives of local media, nongovernmental organizations (NGOs), professional associations, international donors, and media-development implementers. Each country’s panel had a slightly different composition, but in most cases, the same panelists from last year’s MSI were invited to return for the 2004 study in order to maintain consistency.

Each panel was provided with the objectives and indicators and an explanation of the scoring system. Panelists were asked to review the information individually. The panelists then assembled to discuss the objectives and indicators, and to devise combined scores and analyses. The panel moderator, in most cases a host-country media or NGO representative, prepared a written analysis of the discussion, which was subsequently edited by IREX representatives.

IREX in-country staff and Washington, DC, media staff also reviewed the objectives and indicators, and scored the countries independently of the MSI panel. The panel scores and IREX scores were then combined to obtain the final score presented in this publication. This method allowed the MSI scores to reflect both local media insiders’ views and the views of international media-development professionals.

I. Objectives and Indicators

OBJECTIVE 1: FREE SPEECH

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

OBJECTIVE 4: BUSINESS MANAGEMENT

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

II. Scoring System

A. Indicator Scoring

Each indicator is scored using the following system:

0 = Country does not meet the indicator; government or social forces may actively oppose its implementation.

1 = Country minimally meets aspects of the indicator; forces may not actively oppose its implementation, but business environment may not support it and government or profession do not fully and actively support change.

2 = Country has begun to meet many aspects of the indicator, but progress may be too recent to judge or still dependent on current government or political forces.

3 = Country meets most aspects of the indicator; implementation of the indicator has occurred over several years and/or through changes in government, indicating likely sustainability.

4 = Country meets the aspects of the indicator; implementation has remained intact over multiple changes in government, economic fluctuations, changes in public opinion, and/or changing social conventions.

B. Objective and Overall Scoring

The averages of all the indicators are then averaged to obtain a single, overall score for each objective. Objective scores are averaged to provide an overall score for the country. IREX interprets the overall scores as follows:

Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

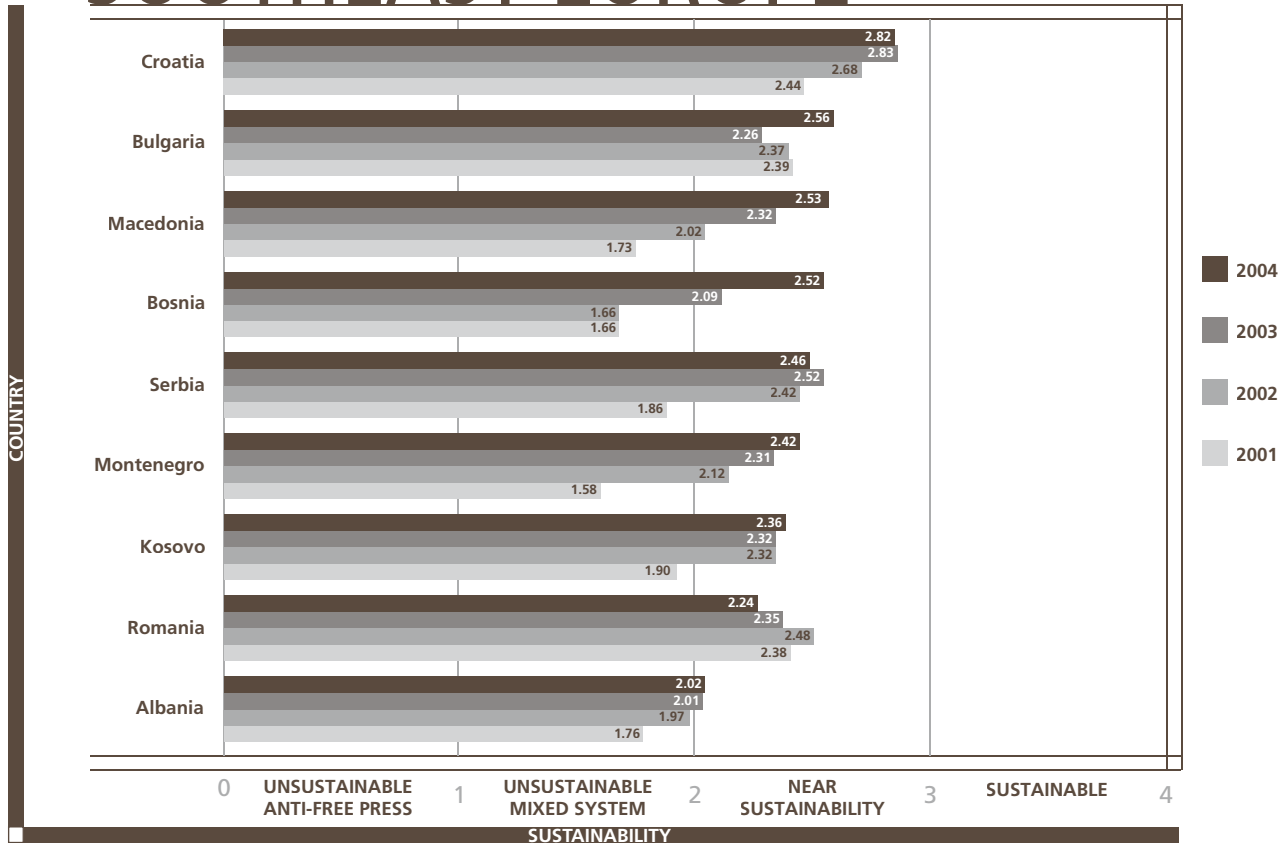
Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

SOUTHEAST EUROPE

AVERAGE OBJECTIVE SCORES

SOUTHEAST EUROPE



AMONG THE CHALLENGES NOTED BY THE 2004 MEDIA SUSTAINABILITY INDEX (MSI) PANEL WERE THE ATTEMPTS BY POLITICAL GROUPS TO MANIPULATE MEDIA OUTLETS, THE UNCERTAIN MOTIVATIONS AND ORIGINS OF COMPANIES TRYING TO BUY INTO THE INDUSTRY, AND THE URGENT NEED FOR SUPPORTING INSTITUTIONS TO DEFEND THE ECONOMIC AND LEGAL RIGHTS OF JOURNALISTS—90 PERCENT OF WHOM ARE EMPLOYED WITHOUT LABOR CONTRACTS.





A

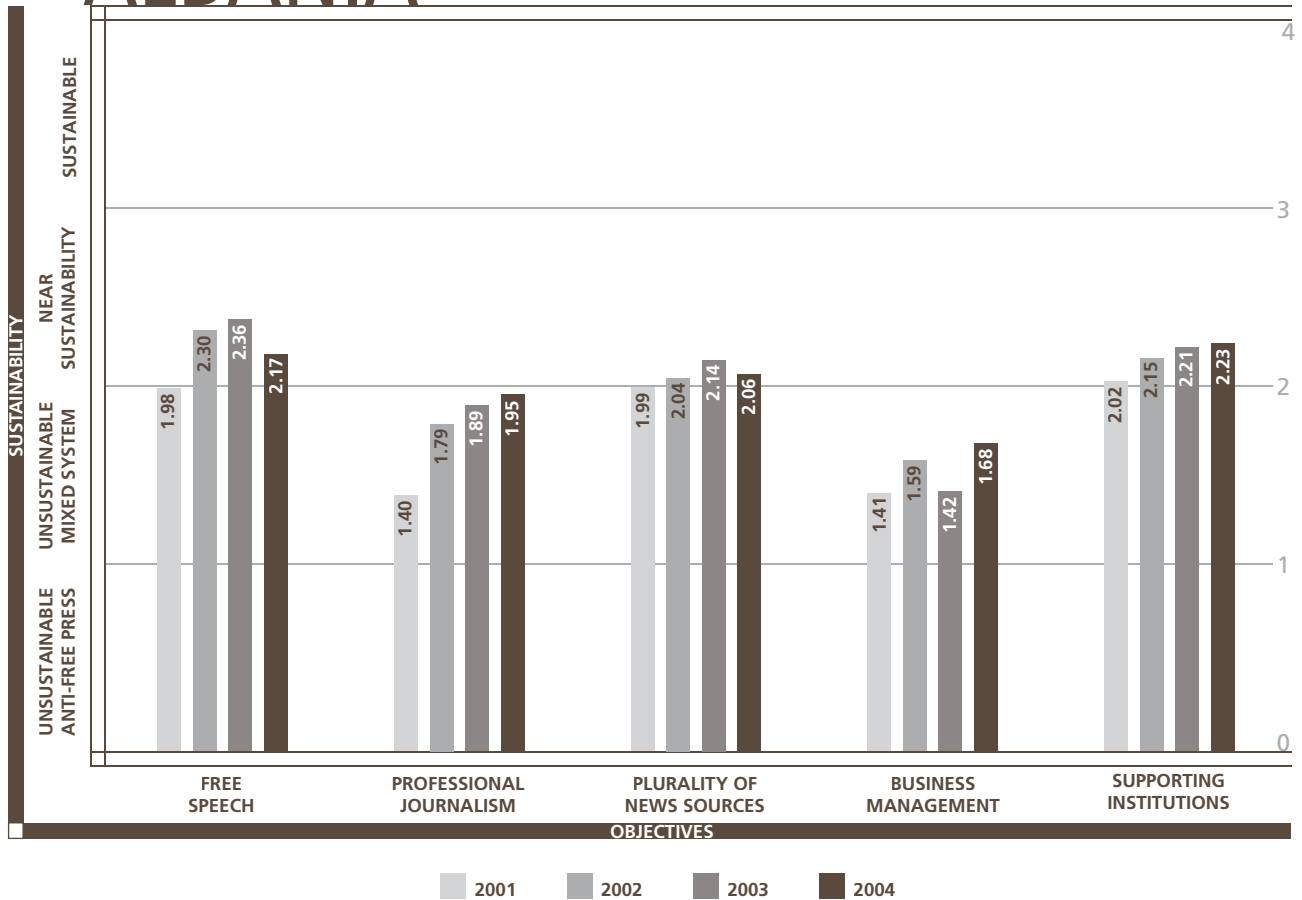
lbania remains the poorest country in Europe, with the weak economy further undermined by political struggles and endemic corruption. Although Albania's economy has grown at an average of 6 percent per year for the past four years, this expansion has been generated by construction, transportation, and other industry sectors that do not sizably increase employment. By contrast, industrial and agricultural production sectors are still declining, exacerbating joblessness while corruption polarizes society and the country's overall stability is under threat. The political warfare that has plagued Albania since its totalitarian government crumbled more than a decade ago continued through 2004. The two biggest parties and their respective leaders failed to create the climate for reform, and animosity built in anticipation of mid-2005 parliamentary elections.

Albanian media were attentive to the events unfolding in Georgia and Ukraine, where ruling factions fell after constricting free expression and failing to build true popular support. Many of Albania's editors, journalists, and independent media advocates identified threats to the freedoms that had followed the collapse of communism. Among the challenges noted by the 2004 Media Sustainability Index (MSI) panel were the attempts by political groups to manipulate media outlets, the uncertain motivations and origins of companies trying to buy into the industry, and the urgent need for supporting institutions to defend the economic and legal rights of journalists—90 percent of whom are employed without labor contracts.

Panelists reported advances from 2003 in only two of the MSI objectives: the professionalism of journalists and the businesslike management of media outlets. Freedom of speech protections and the plurality of news sources available to citizens were considered to have deteriorated somewhat, while development in the supporting institutions for the media was static. As a whole, therefore, the Albanian media environment progressed little during 2004, and what movement was recorded came despite the lack of government commitment to sustainable media independence.

MEDIA SUSTAINABILITY INDEX

ALBANIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREE SPEECH

Albania Objective Score: 2.17 / 4.00

Nothing improved the rights of media outlets, journalists, or even those who became the subjects of media coverage during 2004. The MSI panel noted the continued contradictory relationship between the constitutionally guaranteed protection of freedom of expression on one hand and the lack of clarity about privacy rights on the other. As a result, the civil code, under which lawsuits claiming damage to reputations are filed, and the penal code, which makes defamation a criminal offense, become tools in attacks on freedom of expression. The panel noted friction between media outlets that used the Constitution's protection of free speech as cover for unethical journalism and officials who tried to exact revenge by taking advantage of real or alleged lapses by the media. In one case, Prime Minister Fatos Nano filed suit against the daily *Koha Jone* because of a February 2004 reporting criticizing a Cabinet decision that awarded a sizable financial

bonus to the prime minister and some members of his staff, presented as a reward for the successful privatization of the country's largest public bank. *Koha Jone* reported the story and condemned it as an abuse of power. Although it was widely viewed that the editorial did violate some ethical standards, the court ruling fining *Koha Jone* \$20,000 was criticized by media-support organizations in the country and abroad. One of these organizations, the Albanian Center for Media Monitoring, characterized the decision in its Albanian Media Monitor 2004 report as "influenced by the authority of high officials in power" and said "it aims to limit through economic sanctions the critical thinking of journalists with regard to the government's disputable decisions." This suit was one of about a dozen by ranking government officials against media outlets or journalists that set the tone for the year. The MSI panelists said that although there were few cases of jailed or physically assaulted journalists in 2004, the suits and resulting trials

"I think there are no crimes against investigative journalists, because there are no investigative journalists," noted Rezear Xhaxhiu.

numbered some of the media and promoted self-censorship. They noted that the higher burden on journalists in court cases, compared with that of the plaintiff, who might be a government official, discourages journalists from undertaking investigations, especially regarding trafficking and corruption. They also noted that misinformation sometimes stems from the difficulties reporters have in accessing information, rather than their ill will. The panel said there is an urgent need for the completion of a press law that would decriminalize defamation and the adoption and implementation of a media ethics code.

Drafting of a press law was completed at the end of 2004 after two years of work. As the draft was prepared for debate during 2005 in the Parliamentary Media Commission, it was anticipated that the hottest debate would center on an amendment offered by two members, Socialist Erion Braçe, editor-in-chief of *Zëri i Popullit* (the Socialist Party daily), and Christian Democrat Nikoll Lesi, owner of *Koha Jone*. The amendment sought to prevent "dumping" by establishing minimum prices for all newspapers, and to stop media owners and their businesses from participating in public tenders that could be subject to corruption.

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

However, this initiative was not backed by international organizations such as the Organization for Security and Cooperation in Europe (OSCE) and Reporters Without Borders because it unfairly limits competition. In other regards, the panelists said the draft includes important changes that decriminalize defamation and ensure that press law is no longer addressed by the penal code. Some changes in the civil code were also expected to address the standards of privacy for public and private citizens, and issues regarding damage to reputation. Some MSI panelists considered these steps to merit an improved ranking for this objective, but others said the situation should be evaluated as it stands in practice. Musa Ulqini, head of the Parliamentary Commission on Media, noted in particular the ineffective implementation of existing legislation regarding the media.

An ethics code was drafted and approved some years ago by the Albanian media community but has been largely ignored by journalists and their employers. Several journalism associations such as the League of Albanian Journalists and the Albanian Journalists Association, which exist in name only, have not

“Public television in Albania is not yet public television,” said Lutfi Dervishi.

attempted to implement this code. Meanwhile, an IREX-supported project that aims to establish a trade-union

of journalists has emerged. This trade-union aims to legalize labor relations between journalists and media owners, as well as resuscitate the ethics code and work on its implementation.

The broadcast licensing process, although generally fair, competitive, and apolitical at the start, did give rise to some suspicions during 2004. MSI panelists were critical of the National Council of Radio and Television (NCRT) for tolerating license abuses by some operators and said this led to doubts about its impartiality. Noted particularly were cases in which outlets had local licenses, allowing them to broadcast in no more than three bordering counties, but nonetheless extended their signals over most of Albania. This practice resulted in part from the announcement in 2003 that a third national license for a private television station might be issued, leading some broadcasters to extend their frequencies in anticipation. The NCRT’s decision to revoke the license of TV Shijak, the largest station with an opposition bent, also was debated and was very political. The NCRT withdrew Shijak’s license because the station insisted on broadcasting pirated movies and programs, but raised suspicions by not acting as quickly to implement the law vis-à-vis other stations that

engage in piracy. The station was off the air at the end of 2004 as the courts considered the case.

After impressive initial success with October 2003 laws to fight the rampant piracy that plagued the media industry as it expanded rapidly without regulation after the fall of the Communist regime, implementation lost ground later in 2004. This happened because of the creation of a new terrestrial digital broadcasting platform by the owner of Top Channel, Albania’s highest-rated station. Because this investment did not have any legal foundation—there was no law on digital broadcasting in Albania—and because it used pirated movies and documentaries, the Digitalb platform gave other stations a pretext for returning to piracy practices. MSI panelists said that although not yet again an epidemic, piracy could stage a quick comeback without urgent action and that the role of the NCRT in this is very important. However, according to panelist Suela Shala, although the regulatory body is politically nonpartisan, the “NCRT does not have the authority and the appropriate powers to be independent.”

Re-assuming control of broadcast piracy and licensing digital broadcasting technology were key challenges for the NCRT in 2005, the MSI panelists said. A draft law prepared under the auspices of the owner of the Digitalb platform and signed by about 120 members of the Albanian parliament also worried members of the panel. This bill stipulated that the digital broadcasting technology belongs exclusively to one company. NCRT experts opposed that approach and drafted a competing bill that addresses not just the licensing of the digital platform, but also other issues associated with digital broadcasting in general.

Establishing new outlets is not restricted, and the press enjoys somewhat privileged treatment with regard to fees such as electricity, telephone, and value-added tax (VAT), with an exemption for paper. However, although the license fees and other business taxes are comparable to rates in other Balkan countries, the levies coupled with a relatively poor advertising market make survival for Albanian media far more difficult. According to some panelists, media taxes can be decreased to improve the outlets’ chances, especially the smaller and local media outlets. “The current tax level is threatening not just the survival of media, but also their freedom,” said panelist Leonard Gremi. The burden of the taxes is coupled with politicized enforcement, with greater scrutiny for outlets that criticize the government while tax police give those that support the government a certain amount of leniency, panelists said.

There have been no violent crimes against journalists. However, many of the panelists said that the lack of attacks hardly equates with more media freedom but rather serves as a sign of ever increasing self-censorship. Journalists simply may be tired of pressure and threats and have decided to avoid investigating dangerous topics. "I think there are no crimes against investigative journalists, because there are no investigative journalists," Rezezar Xhaxhiu explained.

In March 2004, the General Prosecutor closed the investigation of the suit that the editor-in-chief of Vizion Plus Television, Ilir Babaramo, filed against the ex-Minister of Public Order Luan Rama in which he charged that the then-minister and his bodyguard had beaten him in revenge for a story written about the politician. The prosecutor said there was no evidence of a criminal act that merited further investigation, but free-press advocates questioned this finding because the attack, which was reported in the media, had sparked protests by journalists' associations that were followed by the resignation of the minister.

MSI panelists agreed that Radio Televizioni Shqiptar (RTSH) has a difficult mandate in filling its role as a true public broadcaster. To do so, it must rely more on the parliament and less on the executive branch, obtaining financing through public levies rather than only the state budget, and meet its obligations in terms of programming. None of these goals were reached in 2004, and RTSH carried on as a mouthpiece for the prime minister, the government, or the ruling party without covering social problems largely ignored by the private stations. "Public television in Albania is not yet public television," Lutfi Dervishi said. According to several panelists, the responsibility to ensure that the law creating a public broadcaster is implemented lies not only with the directors of RTSH but also the entire media community. Although debate over RTSH has cooled, public broadcasting tends to become a hotter issue as elections approach—precisely when political pressure on the media increases.

Panelists were divided over whether the television station under Radio Televizioni Shqiptar, known as TVSH, retains a privileged position. Some noted TVSH receives a much larger share of the annual advertising market than the 15 percent limit it should according to the law. This happens because the government can decide in which media the public companies have to

advertise or make announcements, as well as produce news exclusively for state-run television, excluding other outlets. However, other panelists said there were cases in which powerful private television stations have been able to broadcast programs that the law dictates should belong solely to the public television channel. For example, the national soccer team matches were sold by the Albanian Soccer Federation to a private television station. Meanwhile, the financial management of TVSH remains less than transparent. Attempts by international media-support organizations to implement transparency mechanisms to monitor the broadcaster's income and expenditures have not been welcome. Late in 2004, the State Supreme Audit Control filed suit against the general director of RTSH, charging him with mismanagement of employee funds.

Many government officials select only those media deemed appropriate for certain information, panelists said. There is little transparency regarding many government decisions, especially those related to tenders and significant financial transactions. Although the access-to-information law protects the right of citizens to obtain public information, the long procedures involved in gaining access to documents make it very difficult, if not impossible, for journalists to receive the data. These bureaucratic delays lead journalists to lose interest and familiarity with the law. "Media and journalists have not yet been able to get the ripe fruit from the tree of law of access to public information. And these fruits are for the good of public transparency," Iris Luarasi said.

Thanks to the spread of the Internet, media have increasing access to international sources of news and information. However, although there are no legal restrictions, access to this kind of information remains a problem for some rural areas. Also, financial problems may make it impossible for some outlets to have sufficient access to available information sources, such as buying the services of news agencies like the Associated Press or Reuters.

Entry into the journalism sector in Albania is free, without limitation, and no licensing is required. On the other hand, the fact that people without the necessary skills or professional standards can be involved in journalism is disturbing, panelists said, and this phenomenon is fueled by media owners who seek to decrease operating costs by lowering wages.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Albania Objective Score: 1.95 / 4.00

MSI evaluators saw the professionalism of journalists advancing somewhat during 2004, although the range of problems faced remains the same as in prior years. Gossip may less frequently serve as the basis for news,

“What has caused the continuous decline of newspaper circulation is not just the difficult economic situation, the small advertising market, or the competitiveness of electronic media, but also the relatively weak quality of reporting,” said Rezear Xhaxhiu.

but it still tends to contribute in the guise of “sources who do not wish to be identified.” Reporting news without receiving confirmation from other sources continued to undermine the objectivity of the reporting. “What has caused the continuous decline of newspaper

circulation is not just the difficult economic situation, the small advertising market, or the competitiveness of electronic media, but also the relatively weak quality of reporting,” said Rezear Xhaxhiu.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

There are taboo topics that everyone in Albania, journalists included, knows not to address. Some are in the media’s own backyard: In January 2004, the Minister of Public Order publicly accused the media of using illegal funding, but no journalist investigated this problem. This self-censorship, combined with the pressure frequently exerted by media owners on their staff, leads to poor or superficial media coverage of key issues, panelists said. Many important issues are only touched lightly by the media, and outlets do not go to the root of problems. The increasing time and space dedicated to sensationalism and over-politicized coverage appear to represent an effort to make up for the lack of professional determination. For example, considerable coverage during 2004 was given over to speculation about secrets involving the Communist-era regime, an issue that generated a good deal of public curiosity but could not be considered among the most pressing for the nation nearly 15 years after the regime’s demise.

Many journalists are relatively well paid in Albania, especially those working at large television stations, but there is a wide salary range. A reporter at a regional television station can earn up to \$250 per month, but an editor-in-chief at a television station based in Tirana might receive \$2,500 per month. For some journalists, especially reporters, wages are not high enough to discourage corruption. Some general news and business news stories broadcast by public television appear more targeted toward advertisers than news consumers, and this phenomenon leads some to believe that such stories are secretly prepaid reports.

News and information programming continues to have the dominant place in the schedule, but the October 2003 initiative by NCRT to block broadcast piracy forced some of the major television stations to produce other programming, such as entertainment shows. Alternatively, the high cost of foreign programs and the need to fill broadcast schedules with licensed programs led some outlets to buy multiple Latin-American soap operas. These have become so ubiquitous that electronic media have begun to be perceived as more of an entertainment tool than a source of information. The kind of weekly programming produced by national television channels, including shows for children, music and other entertainment, and documentaries, is extremely rare at stations outside the capital.

“Heroes of Albania,” a programming initiative under the media-development project implemented by IREX, was designed to help the Albanian media shift its focus from scandals and political conflicts toward positive examples of civil-society actions by showing how local

people helped their communities. Over three years, 120 episodes of “Heroes” have aired via a network of 25 local stations and, more recently, on public television. As the program grew more popular, several stations such as Vizion Plus, Koha, and Top Channel replicated it by producing similar shows under names like “Tunnel,” “The Invisibles,” and “Outside Boulevard.”

With regard to technical equipment for broadcasting and producing news, Albanian media based in Tirana may have nearly state-of-the-art equipment, some of it even digital. But outlets have fewer resources the farther they are from the capital, and in some areas, one can still encounter stations using VHS format.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES
Albania Objective Score: 2.06 / 4.00

The plurality of media and information sources constitute some of the most undeniable successes in Albania. However, optimism is dampened if one considers that people struggle to afford these services. The price of a newspaper starts at about 20 cents, so many retirees are unable to buy papers on their monthly pensions of \$80. Many foreign newspapers and

Multiple news sources provide citizens with reliable and objective news.

- PLURALITY OF NEWS SOURCES INDICATORS:**
- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
 - > Citizens’ access to domestic or international media is not restricted.
 - > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
 - > Independent news agencies gather and distribute news for print and broadcast media.
 - > Independent broadcast media produce their own news programs.
 - > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
 - > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

magazines are sold, but even fewer Albanians can afford their prices, which can reach \$2.50 per newspaper.

It is difficult to find newspapers or broadcasters that have no affiliation to political parties or businesses. During the early transition period of the 1990s, the emergence of media outlets resulted from pure journalistic initiative.

The current emergence of new newspapers (*Ekspres* and *Integrimi* entered the market in late 2004), however,

is more a reflection of an increasing desire by political or businesses groups to have their own say in the media market. The poor advertising market and the weak business management of many outlets have also increased media susceptibility to shady financing deals that limit their editorial independence and the quality of information they offer citizens. The law on public and private broadcasting has not helped transparency, even though it demands in theory that the NCRT verify not just ownership, but also the nature of investments in the media industry.

When Prime Minister Nano alleged in May 2004 that “dirty” money was being invested in the media industry, no inquiries or attempts to institute financial transparency of ownership were initiated apart from an inconclusive investigation by the directorate of competition. This led to strong suspicions about the credibility of the content of many outlets. A 2004 European Union report on Albania stated that an “increase in the transparency of media ownership is vital.”

Although state television has become somewhat more accessible to the main opposition party, the station has been unable to disguise its pro-ruling-party bent. Fatos Baxhaku noted the irony of this situation: “While the Democrats were in power, we used to watch only then-President Sali Berisha on public television. Now that the socialists are in power, we see more of Prime Minister Nano, but little of Berisha, now the chairman of the largest opposition party.” Public television, in spite of the legal provisions for its existence, cannot escape the influence of the executive branch or political

“While the Democrats were in power, we used to watch only then-President Sali Berisha on public television. Now that the socialists are in power, we see more of Prime Minister Nano, but little of Berisha, now the chairman of the largest opposition party,” explained Fatos Baxhaku.

pressure in general, the MSI panelists said. This results in editorial policies that allot significant time to government propaganda and minimal time to points of view expressed by the opposition, the public, or civil-society groups.

As a result of the self-censorship practiced by journalists and the pressure of media-outlet owners who have special interests, the public does not benefit from a strongly investigatory press. International organizations have attempted to encourage probing and in-depth programs, including through "Hapur," an investigative program based loosely on the American "60 Minutes" model that looks into cases of corruption in Albania and is broadcast by 26 local stations.

The state news agency ATA operates in Albania, as well as the private agency TIRFAX, which operates on a limited basis. A website, Balkanweb, was recently created and provides news. However, most print and broadcast outlets still produce news editions based on information they generate on their own, and the lack of an independent and established news agency in Albania has provided ample room for the spread of inaccurate daily reporting. A satirical program called "Fiks Fare," made by Top Channel television, even uses media inaccuracies, often multiple contradictory ones, to poke fun at various political developments.

Another unresolved problem is the poor print media distribution in rural areas, where nearly 50 percent of the population still lives. The local newspapers have almost entirely disappeared, and the Tirana-based press cannot reach the distant rural areas. There are currently 21 daily newspapers in Albania, the two largest of which have an average circulation of no more than 15,000 copies per day, a rather minimal number for a country of 3 million.

In Albania, there are some newspapers that serve the Greek minority, about 2 percent of the population, but there are no such radio and television stations. Other minorities are even less represented by the print media, with the Roma community issuing a monthly magazine sporadically. Issues about and of concern to minority communities are rarely and randomly covered in the mainstream media. These limitations are not political in nature, panelists agreed. Instead, they are due to the inability of minorities to invest significantly in the media, and disinterest on the part of established outlets.

OBJECTIVE 4: BUSINESS MANAGEMENT

Albania Objective Score: 1.68 / 4.00

The relatively small advertising market in a weak economy is a continuing challenge for Albanian media, one that undercuts whatever business and management skills media leaders are developing. Officially, there are 167 newspapers and magazines, 56 television stations, and 32 radio stations in the country, probably more than can be supported by the market, especially when the advertising market is estimated at \$15 million per year. The Albanian Center for Media Monitoring stated in a 2004 report that "only a limited number of stations in the country would be able to absorb the advertising necessary for survival."

Paradoxically, while forecasts called for some media outlets to shut down, it did not happen in 2004. On the contrary, more newspapers were established. Panelists explained that the increasing number of financial sources for media, such as the business ownership, different political parties, or even unknown individuals keep some outlets afloat. Only in Tirana is it possible to find outlets (mainly national television stations) that can break even. Other media outlets, mainly in districts far from the capital, operate despite continuing losses,

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

managing to survive only because of cost-cutting measures that allow a minimal level of quality.

The poor economic environment has significantly influenced the debate on the new press law. Some owners and directors of newspapers who are also members of parliament and/or members of the Parliamentary Commission on Media included an amendment that mandated that newspapers could not be sold below their cost of production. Their aim was to block competition by low-cost publications—the very ones that have had success against the newspapers put out by the members of parliament who sponsored the draft. After a colorful debate, this initiative was criticized by the Authority on Competition in Albania, which stated: “The owners have the right to set prices as they like. In many countries in the world it is common practice to offer free newspapers, independent of the high cost of their production.” The report also noted international criticism of members of parliament being media owners at the same time, a situation that creates conflicts of interest and is a dangerous epidemic currently threatening the media landscape.

Albania’s underdeveloped advertising market does not distribute ad revenues proportionately, with the shortfall most intense in the northern districts. This situation has been continuing for years and has led to the virtual disappearance of local newspapers. Now it is also posing a serious threat to local electronic media. This threat contradicts government decentralization strategies, which are intended to give more weight and power to local government. At a time when the role of local media in informing the public on local government decisions should improve, it could instead fade away, MSI panelists noted. The disappearance of local media would seriously threaten media plurality in Albania. Furthermore, the fewer local outlets that exist, the greater chance the central government has to control them. To enable local media to become competitive in the local advertising market, the media-development program implemented by IREX has supported establishment of a network of eight private television stations, nurturing them with management expertise and technical support.

In Albania, only a few advertising companies secure broadcasting time through media buyers. Only recently have some of the larger television stations begun using media buying agents from selected advertising agencies to administrate and manage their television advertising time. For example, Albvizion manages advertising for Top Channel, while another Tirana-based agency, Java Publicity, administers some television ads for TV Klan.

According to one panelist, international advertising agencies have started to open branches in Albania.

Private media do not receive any direct subsidies from the government. However, certain agencies or state enterprises provide preferential treatment to some media outlets in the form of advertising contracts. “In Albania, in most cases, the advertisements that large public enterprises (like the power and telecommunications companies) distribute to the media are in fact an alternative form of government subsidies or part of the

“In Albania, in most cases, the advertisements that large public enterprises (like the power and telecommunications companies) distribute to the media are in fact an alternative form of government subsidies or part of the government’s secret attempts to control the media,” said Kreshnik Spahiu.

government’s secret attempts to control the media,” said Kreshnik Spahiu. Traditionally, opposition media have received less advertising from the public enterprises than the media that support the ruling party. As soon as power changes hands, this element of the ad market also shifts, with the privileged outlets discriminated against while the previously ignored outlets receive new contracts.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Albania Objective Score: 2.23 / 4.00

In the early years of the transition, some media associations were established in Albania that did not distinguish between owners and journalists. This happened because journalists established the first private media. Although the dual role of the journalists/owners had some drawbacks for the media outlets, especially with regard to their management, the associations established at that time were very active in lobbying the government and political forces on issues related to the survival of newspapers. However, these associations became less active as the interests of media owners started to diverge from those of the journalists. In fact, existing associations such as the League of Journalists, the Association of Professional Journalists, the Forum for Free Media,

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

and the Association of Electronic Media, although claiming to represent "journalists," were dominated by the founding media owners, while the interests of the next generation of journalists were ignored. Panelists rated the work done by the associations of publishers more highly than the job done by the associations of journalists.

Meanwhile, there is no association or union that protects the interests of journalists and promotes and encourages professional ethics. MSI panelists were disturbed that most journalists in Albania work without contracts and are subject entirely to their owners' whims. There are numerous cases of editors-in-chief and entire groups of journalists being fired by the owners for completely subjective reasons. It is even more disturbing that the community of journalists in Albania has been unable to react in an organized manner against these practices. In an attempt to protect the economic rights of journalists as a basis for preserving and developing their professional independence, the United States Agency for International Development (USAID), through IREX, has supported a project to establish an active union of journalists. Some nongovernmental organizations, including the Helsinki Committee or the Albanian Group of Human Rights, also have been active in protecting journalists and working on free press issues.

The University of Tirana established a journalism

department several years ago that is one of the main institutions providing journalism training and education. Another department opened during 2004 in the city of Elbasan, as part of the University of Elbasan. Newly established, these journalism programs do not suffer from some of the entrenched old-style practices of those in neighboring countries, but MSI panelists said considerable development remains to be done. There are also a series of programs financed by international organizations that organize short-term and specialized training seminars.

The large number of private printing houses in the country protects against monopolization of the print sector. The same is true for newsprint companies and the ownership of private distribution agencies.

Panel Participants

Musa Ulqini, chairman, Parliamentary Commission on Mass Media

Genc Ymeraj, director of programming, Public TV

Leonard Gremi, manager, TV A1

Lutfi Dervishi, journalist

Bashkim Hoxha, owner, TV Teuta, Durres

Edi Paloka, vice chairman, Parliamentary Commission on Mass Media

Kreshnik Spahiu, director, Civic Advocacy Office

Rezezar Xhaxhiu, news director, TV Arberia

Iris Luarasi, co-owner, Radio Ime; professor of journalism, University of Tirana

Fatos Baxhaku, journalist, Vizion Plus

Adlei Pici, executive director, Institute of Statistics and Opinions

Genti Ibrahim, lawyer

Suela Shala, assistant to press officer, OSCE

Andi Tela, editor-in-chief, *Gazeta Shqiptare*

Moderator

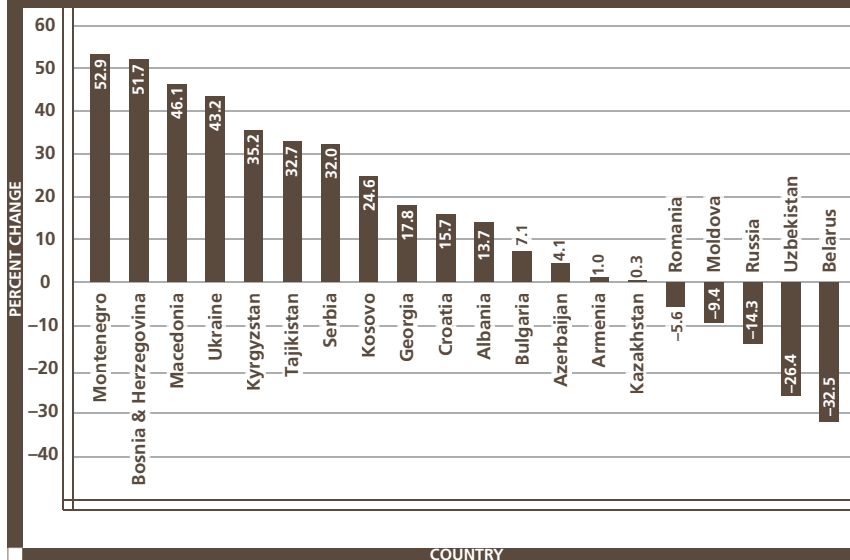
Andrea Stefani, senior media advisor, IREX

ALBANIA AT A GLANCE

GENERAL

- **Population:** 3,400,000
Demographic Atlas of Albania
- **Capital city:** Tirana
- **Ethnic groups (% of population):** Albanians 97.79%, Greeks 1.95%, Macedonians 0.23%, Montenegrins 0.03% *Demographic Atlas of Albania*
- **Religions (% of population):** Muslims 68.5%, Christians (Catholics and Orthodox) 28.5%, Bectashi 2% *Demographic Atlas of Albania*
- **Languages (% of population):** Albanian 97.79%, Greek 1.95%, Macedonian 0.23%, Serb 0.03% *Demographic Atlas of Albania*
- **GDP:** US\$8,360 million *IMF*
- **GDP/GNI per capita:** US\$2,459 *IMF*
- **Literacy rate (% of population):** 86.5% *CIA World Factbook*
- **President or top authority:** President Alfred Moisiu
- **Next scheduled elections:** Summer 2005

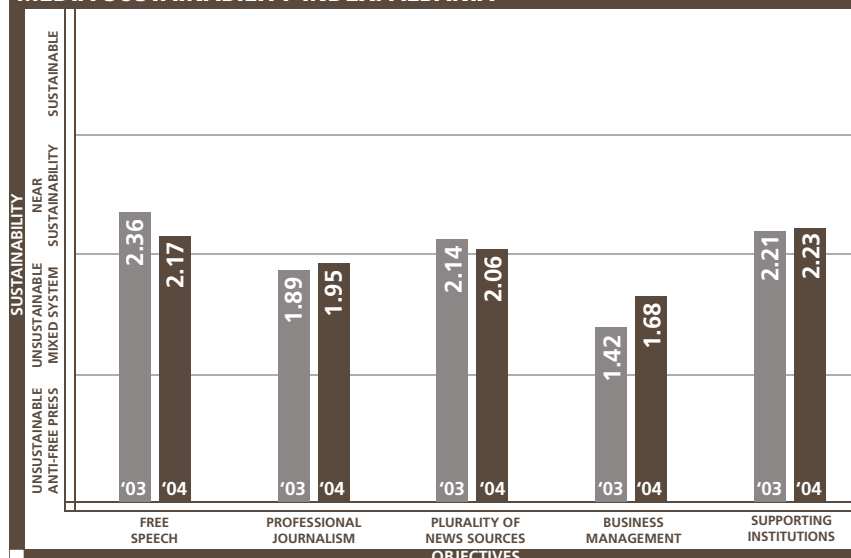
MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Approximately 75,000. *Shekulli* is the largest paper, with 20,000 copies daily. *Albanian Media Institute*
- **Broadcast ratings (top three ranked stations):** Top Channel, TVSH, TV Klan *Institute for Statistics and Opinions*
- **Number of print outlets, radio stations, television stations:** There are approximately 150 print outlets and 120 radio and television stations. *Albanian Media Institute*
- **Annual advertising revenue in media sector:** Approximately US\$15 million *Albanian Media Monitor 2004*
- **Number of Internet users:** 30,000 (2003) *CIA World Factbook*
- **Names of news agencies:** ATSH (Albanian News Agency), ALNA, ALP *Independent News Agency*

MEDIA SUSTAINABILITY INDEX: ALBANIA



“IN TERMS OF LEGAL MATTERS, ALL CONDITIONS FOR EQUALITY EXIST. HOWEVER, THE PRACTICE REVEALS A DIAMETRICALLY OPPOSITE SITUATION,” NOTED FUAD KOVAČEVIĆ.

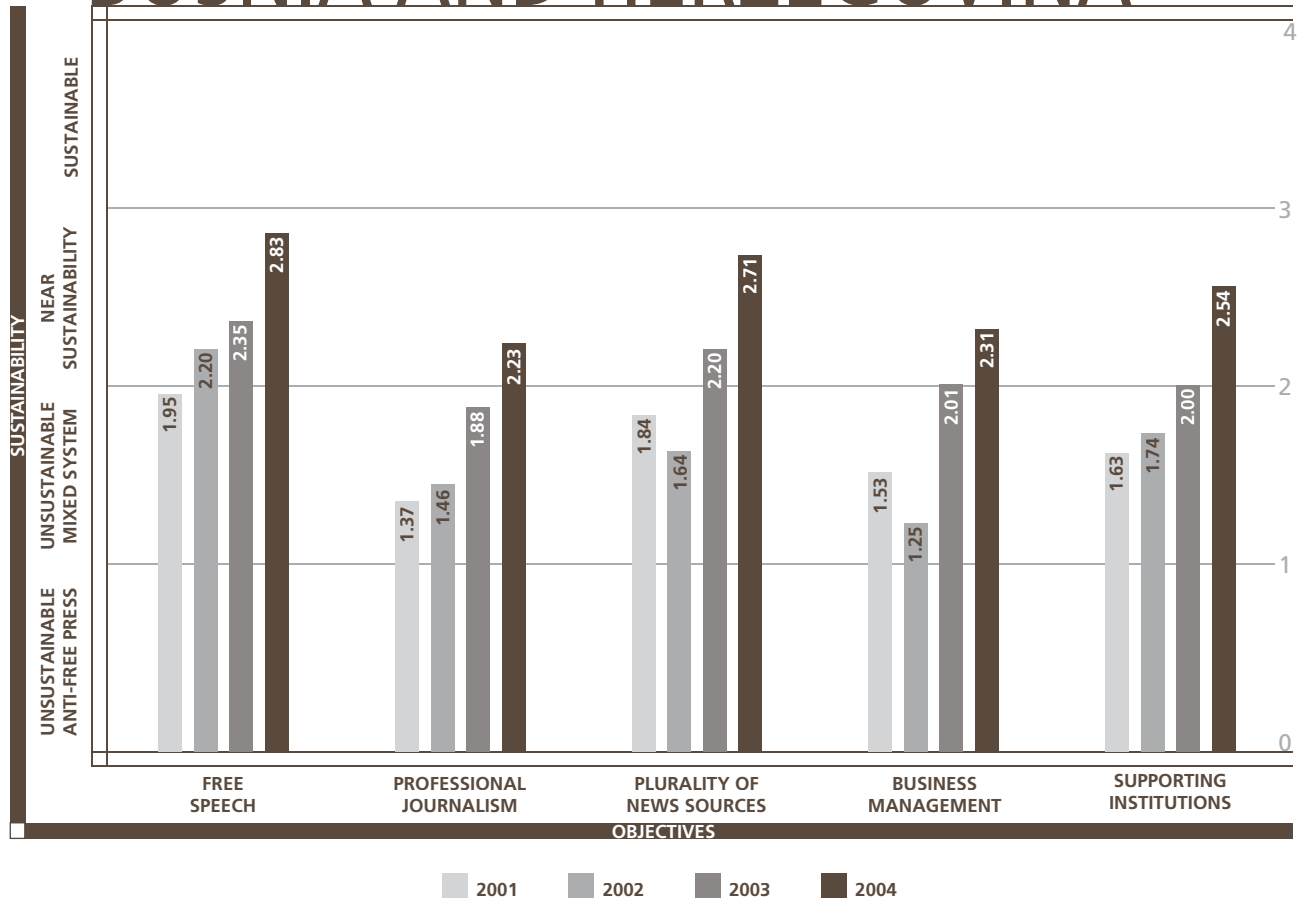


The Dayton Peace Agreement, which provides a framework for the constitutional and territorial arrangements for Bosnia and Herzegovina (BiH), also provides basic parameters for a media system in the country of 3.8 million people. Apart from effectively stopping the war in BiH, the 1995 agreement also laid out a complex political system: BiH now consists of two entities—BiH Federation (FBiH), dominated by the Croat and Bosniak population, and Republika Srpska, which is dominated by Serbs. Besides these two entities, there is also the Brčko District. Moreover, the FBiH is divided into 10 cantons—four dominated by Croats, four by Bosniaks, and two mixed. Implementation of the agreement’s civil aspects is the responsibility of the Office of the High Representative (OHR), whose powers are affirmed by the United Nations Security Council and who also acts as the special representative of the European Union (EU) in the country. The High Representative has supreme legislative and administrative powers in the country, including the mandate to impose laws and decisions and to discharge officials at any administrative level if their activities contravene the letter and spirit of the peace accord. In practice, almost all major constitutional changes, legislative solutions, and institutional reforms come from the OHR. The resistance of governing ethnic elites to many of these moves also remains evident.

The Bosnian political scene is still significantly shaped by three ethno-nationalist parties: the Party of Democratic Action (SDA – Bosniak) and the Croat Democratic Union (HDZ – Croat) in the Federation BiH entity; and the Serb Democratic Party (SDS – Serb) in Republika Srpska. Under pressure from the international community, these parties are more or less implementing the reforms that should lead BiH into the EU, but the process is very slow. The High Representative exercises his authority when no consensus can be reached among the political parties—which is more often than not. In addition to the ethnically based parties, social democratic parties are becoming increasingly significant, especially the Social-Democratic Party (SDP), with its constituency mainly coming from FBiH, and the Party of Independent Social-Democrats (SNSD) from Republika Srpska.

MEDIA SUSTAINABILITY INDEX

BOSNIA AND HERZEGOVINA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The development of the media sector is evident as part of the slow but steady movement forward of almost all segments of Bosnian society. However, it has been hindered by the ongoing influence of political parties, businesses, government, and religious groups, as well as by rather bleak economic prospects for the media market. Although the results of prior Media Sustainability Index (MSI) research shows year-to-year progress, the 2004 evaluation shows panelists agreed that the media sector still has not achieved overall sustainability.

Little to no foreign investment, reduced consumer purchasing power, the general withdrawal of foreign donors whose attention has shifted to other crises, and an oversaturated marketplace created in part by political party involvement and donor activity have all made the situation difficult for BiH media. In addition, poor business practices by media willing to undercut advertising pricing and the outflow of marketing income into neighboring Croatia and Serbia contribute to the industry's problems.

Media outlets remain vulnerable to political pressures. While some outlets consider themselves independent, others see themselves in a so-called nation-building role, typically taking on the representation of one of the BiH nations as their mission. This is especially true among the print media. A long-standing, politicized conflict between two groups of printed media (daily newspaper *Dnevni Avaz* and magazines *Ljiljan* and *Walter* on one side, and daily *Oslobođenje* and magazines *Slobodna Bosna* and *Dani* on the other), waged in the publications themselves and in court defamation suits, continues to undermine professional norms.

However, the situation in electronic media is better due to a rather strong and efficient regulatory framework outlined through the Law on Communications and the Communications Regulatory Agency (CRA). The Press Council is attempting self-regulation of compliance with professional standards in print media, but its role has not yet taken hold. The Council defined an ethical code built on European standards, but most journalists and editors are not ready to implement it fully. Low professional standards and fragmentation of journalists into four professional associations have contributed to the problem, although some readiness to consolidate the associations and implement the code appeared in 2004.

Finally, even the public broadcasting system, consisting of FBiH RTV (RTVFBiH), Republika Srpska RTV (RTRS), and the Public RTV Service of BiH (PSBBiH), has not avoided problems. Support from the international community has put the broadcaster in a financially privileged position compared with private outlets,

with the public broadcaster entitled to income from subscription fees plus a specified amount of advertising. Commercial broadcasting has no limits on advertising.

OBJECTIVE 1: FREE SPEECH

Bosnia Objective Score: 2.83 / 4.00

The legal framework for the protection of the freedom of speech in BiH is determined by the Constitution, the European Convention of Human Rights, and the Law on Protection Against Defamation. This law transfers the defamation statutes from criminal law to civil law. In addition, there is the Freedom of Access to Information Act. While considerable progress has been made in improving normative freedom of speech protections, serious problems still occur in practice. The most important barrier remains the judiciary's treatment of defamation lawsuits. MSI panelists pointed to the insufficient education of legal professionals as a major problem, both in terms of the laws being relatively new to the BiH legal system and the professional standards of journalism practice being unfamiliar to

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

judges. Failure to make use of the standardized practice of involving court-appointed media experts such as ombudsmen or media association representatives in these lawsuits aggravates the situation. However, panel participants said they expect improvement with time and practice.

On the other hand, panelists pointed to the freedom of speech abuses by journalists. For example, they noted the widespread practice referred to as “media lynching,” the presentation of a series of poorly researched or unsubstantiated stories about individuals or institutions. “We have often seen the texts, either written or broadcast in radio or TV, which are essentially completed in an unprofessional manner, which lack the research, multiple views, and so forth,” said Amir Zukić, news program editor at the public broadcaster. “Do they simply get such assignments from their editors, or do they themselves feel the need to perform a media lynching of someone, denigrate his character, and destroy him, without any care for the consequences of such an act?”

“We have often seen the texts, either written or broadcast in radio or TV, which are essentially completed in an unprofessional manner, which lack the research, the multiple view, and so forth, and so forth. Do they simply get such assignments from their editors, or do they themselves feel the need to perform a media lynching of someone, demote his character, and destroy him, without any care for consequences of such an act?” stated Amir Zukić.

The victims of such media attacks, particularly after the adoption of the Law on Protection Against Defamation, often seek satisfaction through lawsuits against the media. In one case, Zlatko Lagumdžija, the president of one of the largest opposition parties, filed four lawsuits against daily newspaper *Dnevni Avaz*. It also illustrates that, according to the federal ombudsman for media, Mehmed Halilović, 15 percent of defamation

lawsuits against media or journalists are those filed by other media or journalists. This can be regarded as a consequence of media wars that often also develop into personal battles between the journalists of opposing media. Some panel participants also suggest that the

court, perhaps subject to media pressure and blackmail, may make biased decisions in the interest of certain media outlets, their owners, or other power centers.

The Freedom of Access to Information Act, which is quite progressive for Bosnia, has failed to take root fully in practice. Panelists mentioned that some state institutions (the FBiH government, for example) remain closed to media—a violation of the law. Another problem is the selective approach to media by public institutions, whereby media with better “political connections” can obtain information more easily. “The federal government, for at least one year, has failed to organize a press conference,” said Zukić. “They are totally closed, and we have no idea what goes on in their sessions. We know only after we research what happened. You have to gather information through private messages to ministers. If journalists are eager and resilient, they can barely learn about the session’s agenda, let alone obtain any intriguing facts.”

There are not many criminal acts against journalists, according to available information. However, in those cases that develop, the police and judicial systems generally fail to act. The MSI panel pointed to the years-old cases of assaults against journalists that still have not been resolved: No one has been arrested in the attack on the editor of *Nezavisne Novine*, Željko Kopanja, in 1999, and the perpetrator has not been sentenced in the 1998 incursion into the newsroom of *Dani* magazine. One panelist said that in his experience, journalists do not report attacks or intimidation because they do not trust the police or court institutions will offer help or protection. Nevertheless, the panel said progress had been made in that no violent attacks against journalists occurred in 2004.

No distinction is made between media and other branches of industry. The law does differentiate between private and public media, thus predefining their access to certain sources of income, such as state budget, subscription fee, and advertising income. Additionally, the existence of the state press agencies FENA (Federal Press Agency) and SRNA (Serb Press Agency), to a large extent supported by public funding, creates unfair competition vis-à-vis private agencies. The owner of the private news agency known by the initials ONASA, Fuad Kovačević, said, “In terms of legal matters, all conditions for equality exist. However, the practice reveals a diametrically opposite situation.” He said the government pays FENA about €850,000 a year and Republika Srpska pays SRNA about €825,000, meaning they can sell their services cheaply. “This is no longer only the problem of information; this is the problem of economy and politics, unfortunately,” he said.

The licensing of broadcasters is essentially fair, competitive, and apolitical, according to the panel. The CRA is in charge of the licenses and controls the broadcasting spectrum. The licenses are issued through public tenders and are highly competitive, and the procedures for awarding licenses are clearly outlined and rigorously implemented by the CRA.

Access to international news programs and information sources, as well as to the journalistic profession, are completely unrestricted.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Bosnia Objective Score: 2.23 / 4.00

Although they agree that the quality of journalism in BiH is constantly improving, panelists were still not satisfied with current levels. Journalists and media were seen to be focused on the exclusivity of stories, too often forgetting professional rules that should be applied to test them. Another development noted with concern in 2004 was the increasing identification of certain outlets with particular centers of political or business power, with the media turning into service-providers for these factions. In such cases, media become venues for squaring accounts among opposing forces.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Regarding the respect for accepted ethical standards, the difference between electronic and print media was evident. Electronic media adhere more closely because broadcasting regulation is managed by the CRA, which is authorized to impose fines, revoke licenses, and/or close media outlets in response to lapses. On the other hand, the self-regulatory body for print media, the BiH Press Council, only has the authority to recommend

corrective remedies such as the right to a response or a correction. Although the Press Council respects the high standards of European press codes and produced the *Bosnian Press Code*, implementation is not wide, either due to journalists' ignorance or

the lack of respect for these ethical norms. Panelists noted that there are print media that truly do respect professional norms as well as those that do not.

Related to concern about Bosnian media connections to political and economic interests, panelists noted that self-censorship still exists. Journalists and editors at some outlets will not try to breach the defined editorial policy for fear of losing their jobs. A December 2004 article in the daily *Oslobođenje* says: "Many journalists are involved in shady dealings against their will and their professional credos, because their existence depends on obedience. Due to the behavior of some media, the entire journalistic profession has become ill famed. Journalists stand on the crossroads between professional honesty and subservience to media manipulators." Another source of self-censorship, according to the panelists, is general pressure on media from the marketing industry. Some outlets and journalists can be forced to adjust their editorial policies to fit the needs of advertisers, or risk losing valuable revenues. "I think that politics is pushed into the rear, especially in private media, when compared to this self-censorship generated by business interests," said Senad Pećanin, editor of *Dani* magazine. "It is very hard, and I think that very few media exist that do not impose censorship or self-censorship motivated by business interests."

"I think that politics is pushed into the rear, especially in private media, when compared to this self-censorship generated by business interests. It is very hard, and I think that very few media exist that do not impose censorship or self-censorship motivated by business interests," explained Senad Pećanin.

Self-censorship also emerges from fear for personal safety. Pećanin said that decisions about whether to report on issues affecting the interests of certain groups may depend greatly on the personal courage of the journalist involved. Editors can censor their journalists because of potential conflicts with interest groups. "I am simply trying to answer the question if there are events that will, if covered, likely bring undesired consequences for editors and reporters; my experiences in practice absolutely tell me that they exist," said Pećanin.

Panelists agreed that journalists' salaries are a function of the poor overall economy, and low wages mainly result in flight to other professions.

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The balance between information and entertainment content was deemed to be rather even overall. However, there was concern that in the future, for economic reasons, entertainment content would prevail over the

information. The entire newsroom was dismissed from the BiH television station OBN in December 2004, with management saying that it was not sufficiently profitable.

The amount and quality of niche reporting also suffers because of the poor economy, although panel members said there had been some progress. The lack of funds also leads to studio programs such as talk shows rather than more creative and demanding productions. Panelists felt that the technical resources for gathering, producing, and distributing news were generally good. Although capacities differ by outlet, foreign donors have supplied equipment to the extent that technical facilities rate strongly in Bosnia.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bosnia Objective Score: 2.71 / 4.00

There are 188 electronic media outlets working in Bosnia and Herzegovina today, along with seven daily newspapers and at least six relevant weekly or biweekly magazines. However, such a large number of outlets does not necessarily mean plurality of information sources, at least not equally in all parts of the country. The largest number of electronic media are local stations, while public broadcasters reach some 70 to 80 percent of the population. The circulation of all daily newspapers is estimated at about 80,000 sold copies per day for the population of around 3.8 million people. The situation is similar with weekly and biweekly magazines. Poor circulation figures are primarily due to the limited purchasing power of the people. Many cannot afford newspapers that range in cost from €0.50 for daily newspapers to €1.5 for weeklies and biweeklies. Also, domestic circulation is reduced by the high level of competition from Serbian and Croatian media: There are 13 daily newspapers from those countries, as well as 61 foreign weekly or monthly newspapers.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

In addition to the limited range of electronic media and low circulation rates of printed media, there is yet another major, politically conditioned problem in Bosnia and Herzegovina: ethnic division and segregation of the audience. Media remain limited to certain ethnically defined areas. So, for example, *Dnevni Avaz* and *Oslobođenje*, two Sarajevo newspaper editions, primarily cover the area of BiH Federation, while *Glas Srpske*, a Banja Luka daily, remains solely oriented to the area of Republika Srpska. This division results from the aftermath of the war, but it also reflects the ethnically fragmented structure of the country's territorial and institutional arrangements. The exception is Banja Luka's *Nezavisne Novine*, which targets readership from the entire area of BiH.

Citizens' access to foreign and domestic media is not restricted in any sense. International media play an important role in the print and advertising sectors. The past year has also been marked by the rapid proliferation of cable television channels and providers, and there is also a slow but steady increase in Internet access.

The public broadcasting system consists of a state-wide broadcaster with one television channel, BHTV 1, which started on its own frequency in August 2004, and one radio channel, BH Radio 1. There also are Radio-Television of Republika Srpska and Radio-Television of the Federation of BiH, RTVFBiH. The harsh financial conditions pressure public broadcasters to increase commercial programming at the cost of more serious public-service programming. Also, due to the still undefined position of these broadcasters (the new Law on the Public Service Broadcasting System remains under discussion), they are vulnerable to a variety of political pressures.

The state-subsidized news agencies, used by outlets because they cannot afford to provide their own coverage, tend to favor news reporting from the entity from which they originate. However, panelists assessed the reporting of state agencies as greatly improved in recent years, while those from the "propaganda HQs" of ruling structures are undergoing transformation into professional information services.

Although commercial media produce their own information programs, their content does not differ greatly from those of public media. The main characteristic of the news programs of all broadcast media is the fact that they cover a great deal of national and international news and events, depriving audiences of local-interest news and information.

Ownership information on any outlet can be obtained through the court register. In April 2004, the CRA

introduced the Rule of Media Ownership and Cross Ownership, requiring licensed outlets to report any ownership structure change that exceeds 10 percent to the CRA. Also,

all legal entities are obligated by the relevant laws on commercial enterprises to register at the court and supply information on ownership structure and on any subsequent changes.

Nevertheless, there are problems in enforcing these regulations because state institutions have no capacity to control compliance.

Therefore, although there are no visible media monopolies in BiH, the possibility cannot be ruled out entirely.

There is no real resistance to introducing coverage of social and minority-group issues in the general media. Certain minority groups have their own bulletins or television or radio programs, but panelists agreed that economics preclude this practice from being more widespread, and the public broadcaster has not fully developed to include this kind of coverage.

The state-subsidized news agencies, used by outlets because they cannot afford to provide their own coverage, tend to favor news reporting from the entity from which they originate. However, panelists assessed the reporting of state agencies as greatly improved in recent years, while those from the "propaganda HQs" of ruling structures are undergoing transformation into professional information services.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bosnia Objective Score: 2.31 / 4.00

In 2004, several major projects highlighted the development of the BiH media business. *Dani* launched a promotion by which readers of each new issue of this newspaper also could buy a book for an affordable €2.5. The published literary works were selected

BiH media tend to simply ignore poor ratings, attributing such results to poorly conducted research. However, Dino Dipa, director of research agency Prism Research, said there were indications during 2004 that the media market was maturing gradually and, as part of that process, becoming more attuned to the benefits of putting research information to work.

carefully, mainly classics of BiH and world literature, and the project met with very favorable reader response. Also, Avaz publishing company successfully completed the construction of its huge new business center. Additionally, two printing plants opened—one the expansion of the activities of daily magazine *San* and the other the modernization of *Nezavisne*

Novine's facility. Moreover, the modernization of printing facilities owned by Avaz got under way, and there was expansion of this media corporation into the broadcasting sector as well. The panelists concluded that these developments reflected an improvement in the media business environment during 2004 but that significant difficulties remain for media outlets seeking to achieve financial sustainability.

Most outlets are financed from a variety of different sources: advertising, donor organization funds, subscription fees, and sales. Each of these funding sources has its drawbacks. The “marketing cake” in Bosnia, compared with the number of media outlets, remains very small. Panelists put the value of the entire advertising market in BiH at about 30 million KM net for 2002, while in the neighboring Croatia that same sum is earned by public broadcaster HRT alone. However, the 2004 data provided by Mareco Index Bosnia, a media and market-research company, put the gross value of the television advertisement market at around €95 million. Assuming that the discounts that

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

media gave to clients cut this sum by about 50 percent, about €47.5 million in real gross television ad market value remains—less another 50 percent to reach the net amount of about €24 million. The gross value of the daily newspaper ad market was an estimated €2.3 million, or about €575,000 net.

Although marketing agencies cooperate with media, and there are indications that this cooperation is improving over time, such collaboration is also limited by poor finances. Additionally, smaller towns lose potential marketing money by the outflow of money to cities like Sarajevo. Panel participants could not say how income coming from advertising compares with that from other sources. The influence of media from neighboring countries that are in the position to sell their marketing services for BiH in a package with those for their own country also is a disadvantage for BiH. The situation is exacerbated by a large number of media operating in a disorderly market, driving down advertising rates.

The subsidizing of independent media by state authorities remains rather nontransparent. Some panelists mentioned that in municipalities and cantons, private media may receive funds from state institutions in return for reporting on the work of public institutions, a commercial service that also can be viewed as a form of subsidy. Additionally, 15 out of 39

television stations and 63 of 143 radio stations still are owned by local and regional governments.

The main customers for media research are marketing agencies, not the media themselves. That research that is purchased by outlets is used for ratings promotion, not for improving program content or business planning. BiH media tend to simply ignore poor ratings, attributing such results to poorly conducted research. However, Dino Đipa, director of research agency Prism Research, said there were indications during 2004 that the media market was maturing gradually and, as part of that process, becoming more attuned to the benefits of putting research information to work.

Independent agencies Mareco Index Bosnia and Prism Research provide data on radio and television ratings and print media readership. There is no Circulation Audit Bureau, however, and the circulation data may be based on assessments and unreliable information provided by publishers. The creation of a Joint Industry Committee for the broadcasting industry was under way in late 2004, and it was hoped this new independent agency would set generally accepted standards for measuring the television and radio markets.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bosnia Objective Score: 2.54 / 4.00

Journalists' associations are fragmented along the country's political and ethnic seams and, consequently, inefficient as well as very dependent on foreign donors. Journalists lack a trade-union or collective contracts, and their labor rights are breached frequently with unpaid salaries, honoraria, and social fund contributions. The potential for improving the situation came in December 2004 with the establishment of the association BH Journalists, formed by the merging of three associations—the Independent Union of Professional Journalists from Sarajevo, the Association of Journalists "Apel" in Mostar, and the Independent Association of RS Journalists in Banja Luka. This association will direct most of its activities toward protecting journalists' labor rights. However, the Association of Croatian Journalists from Mostar and the Association of RS Journalists refused to join, and the Society of BiH Journalists was undecided at year's end.

Panelists noted the lack of a publishers' association in Bosnia. There is a positive example of an efficient industry organization, however, in the Association of Electronic Media, which actively represents the interests of its 87 members. Its greatest success achieved in 2004 was to change the BiH Electoral Law to electronic

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

media to charge for political advertising services.

Before the change, broadcasters were forced to provide ads free of charge.

Among the nongovernmental organizations (NGOs) supporting free speech and media independence are the Helsinki Committee for Human Rights, Media Plan Institute, Mediacentar Sarajevo, Centre for Free Access to Information, and Open Society Fund BiH. However, in smaller towns that have fewer NGOs, free speech advances more slowly. Overall in the country, the number of NGOs working on the protection and promotion of free speech is relatively low.

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Although five faculties of journalism exist in BiH—one in Sarajevo, one in Tuzla, one in Mostar, and two in Banja Luka—the quality remains poor, according to the panelists. The knowledge and professional skills of graduates are insufficient for their independent work. Another disturbing fact is the lack of communication between the media industry and educational institutions.

Among the short-term journalism training courses is the Media Plan Institute's school of journalism, which gathers attendees from the regions. Mediacentar launched a training program for media managers and investigative journalists. Internews organized training for journalism students at the Sarajevo Faculty of Political Science. A project run by the Mediacentar Sarajevo in cooperation with the Media Center Belgrade and Investigative Journalism Centre from Zagreb produces the Online Journalism Resource Center at www.netnovinar.org.

Most transmitters for RTV program broadcasts are owned by the state, but some commercial media also have their own systems of program transmission. Access to the Internet is not subject to any monopoly. Panelists said there is a sufficient range of private firms engaged in newspaper distribution. Sources of newsprint and printing facilities are private, although there is a division among printing facilities that reflects the political division in the media sector in general.

Panel Participants

Senad Péanin, director, *Dani* magazine, Sarajevo

Amir Zukić, editor, PBS, Sarajevo

Zoran Udovičić, director, Media Plan, Sarajevo

Borislav Kontić, director, Mediacentar, Sarajevo

Fuad Kovačević, member of management, Independent Union of Professional Journalists, Sarajevo

Jasna Kilalić, Democracy Office, USAID, Sarajevo

Edisa Šikalo, complaint officer, Press Council, Sarajevo

Dino Dipa, director, Prismresearch, Sarajevo

The opinions of the following research participants, who did not take part in panel discussion, were used in preparing this report:

Mehmed Halilović, Assistant Ombudsman for Media, Sarajevo

Emir Habul, editor, BH Radio 1, Sarajevo

Moderator

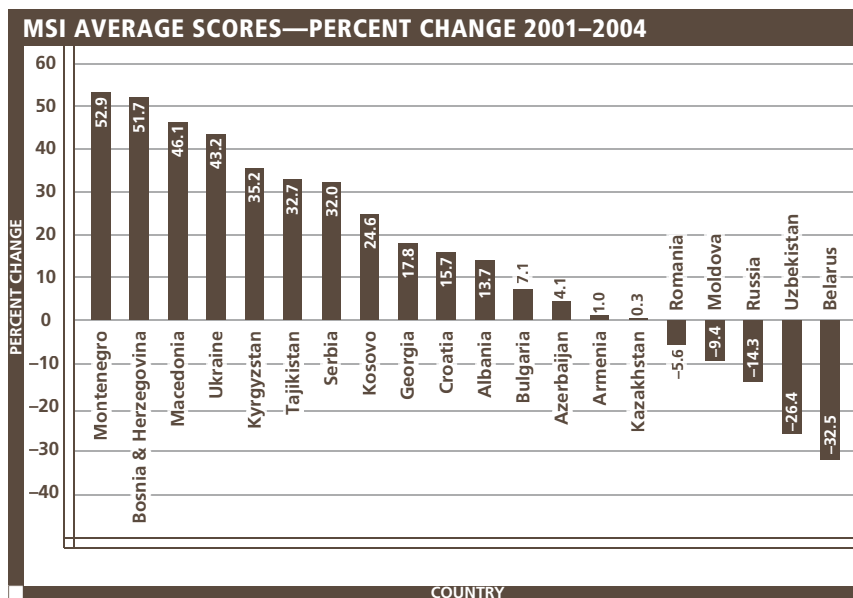
Tarik Jusić, program director, Mediacentar Sarajevo

Disclaimer: The views and opinions presented in the chapter on Bosnia and Herzegovina are those of the panel participants and do not necessarily reflect the views and opinions of the Mediacentar Sarajevo.

BOSNIA AT A GLANCE

GENERAL

- **Population:** 3,832,301 *Agency for Statistics of Bosnia and Herzegovina; June 30, 2003*
- **Capital:** Sarajevo
- **Ethnic groups (% of population):** Bosniaks 48%, Serbs 37.1%, Croats 14.3%, other 0.6% *CIA World Factbook*
- **Religions (% of population):** Muslims 40%, Orthodox 31%, Roman Catholics 15%, other 14% *CIA World Factbook*
- **Languages (% of population):** Bosnian, Serb, Croat (no percentage data)
- **Gross National Product:** US\$7,070 million (2003 data) *Bulletin No. 3; Central Bank of BiH; 2004*
- **GNP per capita:** \$1,845 (2003 data) *Bulletin No. 3; Central Bank of BiH; 2004*
- **Literacy rates:** 94.6% for population over age 15, 99.6% for population between age 15 and 24 (2002 data) *UNDP Human Development Index*
- **President or top authority:** Tri-partite rotating (each eight months) presidency; current president: Borislav Paravac (Serb); other two members: Sulajeman Tihic (Bosniak) and Dragan Covic (Croat)
- **Next scheduled elections:** 2006



MEDIA

- **Newspaper circulation statistics (total circulation and largest paper):** Official circulation statistics are not available.

READING RATES OF DAILY NEWSPAPERS (from at least once a week to every day):

Dnevni Avaz 40.2%, *Vecernje Novosti* (S&M) 11.9%, *Oslobodenje* 9.8%, *Vecernji List* (Croatia) 9.3%, *Blic* (S&M) 8.0%, *Glas Srpski* 7.8%, *Nezavisne Novine* 7.7% (Research conducted September 13–22, 2004 – Mareco Index Bosnia)

READING RATES OF MAGAZINES (from at least once a week to every day):

Gloria (Croatia) 16.1%, *Azra* 12.3%, *Expres* 9.2%, *Slobodna Bosna* 9.1%, *Dani* 8.1% (Research conducted September 13–22, 2004 – Mareco Index Bosnia)

- Viewing/listening rates (three stations with the best ratings):

TELEVISION STATIONS:

Federal TV: 23.8% viewing rates; Croatian TV (I and II programs) (Croatia): 10.5% viewing rates; TV Pink BiH: 10.4% viewing rates (2004 data – Mareco Index Bosnia)

RADIO STATIONS:

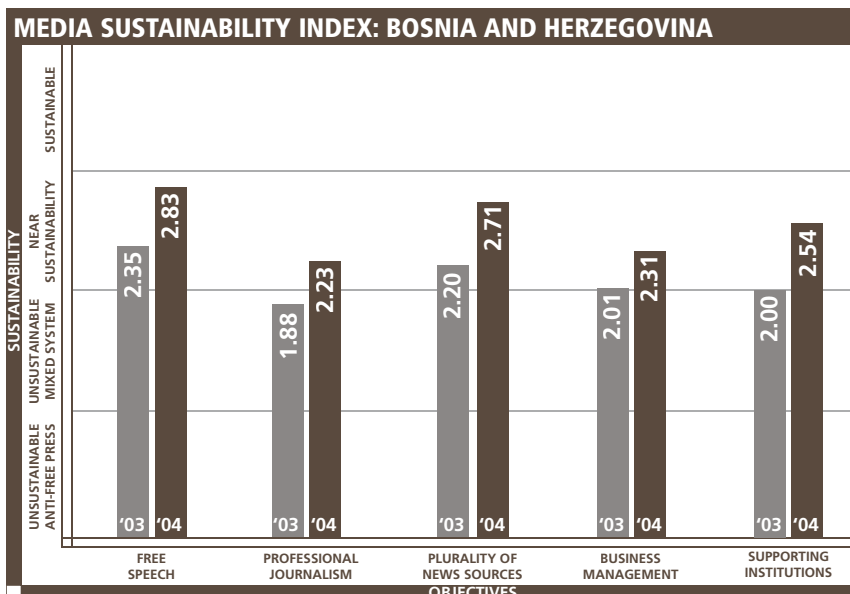
BH Radio 1: 8.5% listening rates; RTV BN: 6.8% listening rates; Nes Radio: 3.8% listening rates (Research conducted August 15–23, 2004 – Mareco Index Bosnia)

- **Number of print outlets, radio stations, television stations:** There are seven daily newspapers, 46 weekly and monthly newspapers, 42 television stations, and 141 radio stations.

- **Annual advertising revenue in media sector:** NA. According to estimates, between 30 and 40 million KM net (15 to 20 million euro), while gross value amounts to around 60 million KM (30 million euro).

- **Number of Internet users:** 100,000 (2002 data)

- **Number of information agencies:** 7



“THE PROBLEM IS WITH THEIR ENFORCEMENT. THE WAY THE REGULATIONS ARE APPLIED DEPENDS ON HOW THE GENERAL PUBLIC REGARDS FREEDOM OF SPEECH, WHICH IS STILL NOT HELD IN GREAT RESPECT,” STATED YASSEN BOYADJIEV.



In 2004, Bulgaria made rapid progress toward achieving its chief policy goals: democratic reform, economic restructuring, and integration with the institutional structures of the West. Bulgaria became a NATO member, and even though it missed the first wave of European Union (EU) expansion, it continued to catch up rapidly with the eight Central and East European countries that joined the EU in May 2004. By the end of the year, Bulgaria had successfully completed accession negotiations with the EU and is expected to become a full member in 2007. On the international scene, Bulgaria continued as a strong member of the antiterrorism coalition and contributed troops in both Iraq and Afghanistan. Casualties inflicted by Iraqi insurgents on the Bulgarian contingent and the executions of Bulgarian hostages in 2004 did not lead to withdrawal of support.

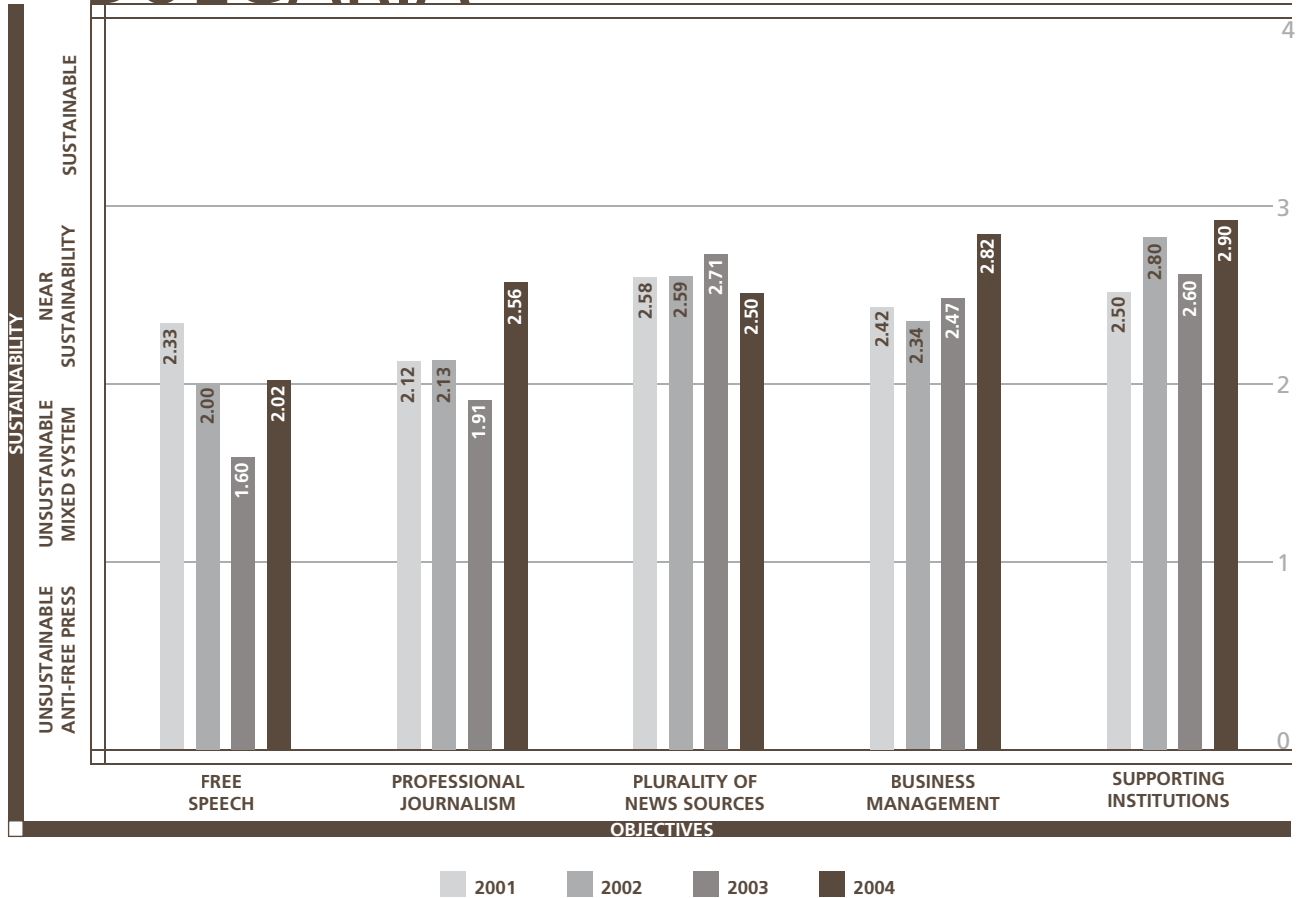
The Bulgarian economy is in its best condition since the end of communism in 1989. Growth is steady, the national currency (pegged to the euro) is stable, unemployment is at its lowest level in the past 12 years, privatization is reaching its final phase, and international investment has grown significantly. At the same time, Bulgaria remains among the poorest European countries. Reforms in the social services have not been successfully completed, and critical issues such as fighting corruption, establishing the rule of law, and reforming the judiciary remain unresolved. Social divisions in the country have deepened, with ethnic minorities, rural communities, young children, and the elderly among those suffering the most.

The Bulgarian media sector has generally benefited from the positive economic and political developments in the country. From a business perspective, the television and print advertising markets grew in 2004, and the radio industry continued rapid, if not entirely transparent, consolidation. For professional journalism, however, the developments in 2004 were not very encouraging. State-owned television and radio stations did not progress toward becoming public broadcasters. Professional standards in many outlets, including media with national reach and significant impact on public opinion, fell victim to political and business interests. Nevertheless, despite these limitations, Bulgarian media remained among the most active



MEDIA SUSTAINABILITY INDEX

BULGARIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

agents of reform, especially in fighting corruption and organized crime—although investigative journalists faced serious problems as state prosecutors launched probes against journalists who used hidden cameras in their reporting.

Overall, the Media Sustainability Index (MSI) panel concluded that Bulgaria’s course toward media sustainability was confident during 2004. Although there is no guarantee against political developments slowing progress in the future, the improved MSI evaluations indicated that media are becoming less vulnerable to economic and partisan pressures.

OBJECTIVE 1: FREE SPEECH
Bulgaria Objective Score: 2.02 / 4.00

All indicators under this objective have scored higher than last year, indicating steady progress and a lack of major encroachments on freedom of speech in 2004. The only deteriorating indicator relates to the effectiveness of the measures for legal and public

Legal and social norms protect and promote free speech and access to public information.

- FREE-SPEECH INDICATORS:**
- > Legal/social protections of free speech exist and are enforced.
 - > Licensing of broadcast media is fair, competitive, and apolitical.
 - > Market entry and tax structure for media are fair and comparable to other industries.
 - > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
 - > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
 - > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
 - > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
 - > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
 - > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

protection of the freedom of speech. The MSI panelists described a general stagnation, with the general public still insensitive to free speech as a basic value and not particularly responsive to violations. “From the legal point of view, constitutional and legislative guarantees are in place,” said Yassen Boyadjiev, Free Speech Forum secretary and program director of Info Radio. “The problem is with their enforcement. The way the regulations are applied depends on how the general public regards freedom of speech, which is still not held in great respect.” Added Ivo Draganov, a media expert and former media regulatory council member: “Years ago the society was ready and willing to react with vigor to any encroachment on free speech. These days it’s not a big deal, and people do not feel they’re being deprived of a basic right.”

“We lack a set of rules on how public radio and television need to be run. We have deep political and economic dependence. Political connections can secure one a job at the national Radio and TV. And they can get one fired,” noted Boyko Stankushev.

Entry into the journalism profession and the media’s access to international information sources continued unrestricted during 2004. There was notable improvement regarding the journalists’ access to public information. The panelists pointed to a number of cases in which journalists won favorable court rulings in challenges filed after they were denied access to information. The panelists agreed that most instances of refused access to information resulted from the public officials’ incompetence, rather than from a determined intent to deny them information.

The panelists described the unchanged status of the Bulgarian national radio and television stations as a major concern. The broadcasters had long been declared public but continued to receive government subsidies as well as compete with commercial broadcasters for advertising revenue. Although the election of the broadcaster’s director general is entrusted to a regulatory body that is formally apolitical, the panel said there was still reason to question the independence of some members from corporate and political affiliations. In addition, the directors of both the radio and television sectors, allowed to appoint management boards subject to the approval of the Council for Electronic Media, have chosen members closely politically affiliated with the ruling majority. Meanwhile, the outlets continue

to struggle against direct political and commercial meddling with their management, and panelists predicted that eventually the managers would fail to remain free from outside influence. Television journalist Boyko Stankushev explained: “We lack a set of rules on how public radio and television need to be run. We have deep political and economic dependence. Political connections can secure one a job at the national Radio and TV. And they can get one fired.”

Licensing continues to be poorly rated because of the complete failure to award new broadcast licenses in 2004. Parliament has been at odds since 2002 with the Council for Electronic Media, which it helped to create. Dissatisfied with the Council’s choice for the television director general, it passed amendments in the Radio and Television Law aimed at preventing the council from issuing new licenses. One of these amendments required a National Strategy for Media Development to be passed by parliament before any new licenses are issued. The Council has developed and submitted such a strategy, but parliament deliberately has not acted on the document. Instead, it has encouraged work on a new media law that would allow changes in the regulatory body, but that law has not passed either. With no working licensing procedure in place, the radio market has moved into a phase of semi-legal consolidation. Unable to get new licenses and not permitted by law to buy existing ones, Sofia-based national radio networks have bought the companies owning regional licenses in different markets or bypassed the law by signing re-broadcasting contracts with local stations. As a result, several national networks already control large numbers of frequencies in the country. While this process is based on sound business factors, a side effect is the near disappearance of local independent radio programming. These significant changes are taking place with the silent approval of the regulatory authorities.

OBJECTIVE 2: PROFESSIONAL JOURNALISM
Bulgaria Objective Score: 2.56 / 4.00

The professional level of Bulgarian journalism features notable growth from the previous year. The high degree of compliance with internationally recognized standards was a positive sign, the MSI panelists said, and the 2004 evaluation showed show an overall trend toward potential sustainability, despite the lingering dependency on political and government processes.

Panelists noted the generally even balance between informational and entertainment programming. Even

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

the smallest regional outlets have developed their own news programs. This is partly a response to Bulgarian audience interest in news and current affairs, meaning that news programs do well commercially. Another reason is that concentration in the newspaper and radio industries has left local cable television stations, largely supported by subscription fees, as the only providers of local news. These stations and independent television producers, including TV Recording in Haskovo, Arena TV in Russe, and SKAT TV in Burgas, have become important sources of local information. However, panelists said that BNT is undermining its public-television status by pursuing higher ratings through entertainment programming and by reducing its current affairs and commentary programs. A survey carried out in 2004 indicated that both bTV and Nova TV, the two commercial television stations with national broadcast licenses, have a higher percentage of news and current affairs in their schedules than BNT.

Bulgarian media generally succeed in providing coverage of key events and issues of public importance. There have been no obstacles—not even security-related—to journalists reporting on major domestic or international events. Reporters from all major Bulgarian media traveled to Iraq during 2004 to report first-hand on the country’s contingent there.

Bulgarian media improved their technical capacity during 2004. Panelists indicated nearly sustainable

development in this area, although few Bulgarian outlets can afford the latest high-tech professional television equipment and even fewer can obtain minicams for journalistic investigations. However, panelists said the use of technology in investigative reporting is more hindered by legislation than affordability. Filming with hidden cameras remains a crime under Bulgarian law, with a British Broadcasting Corporation crew coming under investigation in August 2004 for using a hidden camera to expose the local Olympic Committee chief in a corruption scandal. The BBC crew posed as businessmen trying to buy votes for London's bid to host the 2012 Olympics and used a hidden camera to document the Bulgarian International Olympic Committee member's allegedly positive response to the offer. Prosecutors took no action against the official but launched a case against the British reporters. A few weeks later a similar scandal erupted, when state prosecution ordered an investigation of Romanian journalist George Buhnici, who was arrested and prosecuted for the possession of a hidden camera. In both cases, prosecutors referenced penal code statutes banning the use of hidden technical means for recording that initially had been intended to prevent former Communist secret-police agents from using such devices in racketeering. The panel viewed the investigations against the journalists as extremely serious threats to the media's ability to investigate corruption.

Bulgarian outlets still lag in the quality of beat reporting. An unfavorable market and the failure of media owners and producers to train their staff in niche reporting still undermine the quality coverage of some events and issues. This situation is particularly relevant for local and small outlets. Zoya Dimitrova, deputy editor-in-chief of the *Politika* weekly and head of the Investigative Journalism Foundation, said, "The owners of small outlets would rather save on paychecks than have their staff trained in beat reporting." Panelists, however, noted consistent overall progress in this area. "Journalism is consistently becoming more professional; a variety of viewpoints is represented," said Yassen Boyadjiev, Free Speech Forum Secretary and program director of Info Radio.

The enforcement of ethical self-regulation improved markedly during 2004, largely due to the adoption of an ethical code by most Bulgarian outlets, MSI panelists said. With significant assistance from the BBC under an EU-funded project, Bulgarian media organizations put together their various existing provisions and developed, discussed, and formally passed a unified Code of Ethics. The Association of Bulgarian Broadcasters (ABBRO), the Association of

Bulgarian Publishers, the Bulgarian Media Coalition, the journalist unions, and some leading outlets endorsed the code. By year's end, most media outlets had not started applying the code, the body that will oversee its enforcement had not been elected, and media outlets were debating whether this panel should be split into print and broadcast divisions.

However, the fact that key media outlets and nongovernmental organizations (NGOs) worked jointly on the issue was seen as an important guarantee of its success.

The salary level for journalists remained inconsistent with wages in other professions. Pay scales are disproportionate at public versus commercial outlets, and in national versus regional media. While national commercial media have reached levels that manage to attract and keep the best journalists in the country, public and especially regional media pay far less and suffer from a constantly changing and inexperienced staff. Generally, journalists' wages are not sufficient to fully prevent corruption.

Panel members pointed out lingering self-censorship, primarily when reporters and editors refrain from any coverage that might reflect negatively on the business activities or personal behavior of media outlet owners or major advertisers. Self-censorship is usually masked as being compliance with the editorial policy of the outlet

and is considered largely a result of the weak status of the journalism profession. The labor rights of journalists are not sufficiently protected, leaving them vulnerable to losing their jobs. This is particularly true for journalists at regional outlets, who often work without a labor contract.

Panelists pointed out that investigative journalists are in the most danger of being corrupted due to their exposure to corrupt individuals or business interests. In such cases, money is offered to journalists or outlets to stop negative reporting or ensure favorable coverage.

"The owners of small outlets would rather save on paychecks than have their staff trained in beat reporting," Zoya Dimitrova declared.

According to Luba Rizova, "Regional wrongdoing can only be exposed by a national network. Local reporters are easily stopped by the local lords—government officials, the rich, and local crime rings."

“Journalism is consistently becoming more professional; a variety of viewpoints is represented,” declared Yassen Boyadjiev.

the local lords—government officials, the rich, and local crime rings.” The methods of corrupting journalists have changed. Bribes are rarely delivered through direct financial payments but may come in the form of bestowing journalism awards for the wrong reasons.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Bulgaria Objective Score: 2.50 / 4.00

Bulgarians have access to a wide variety of sources of reliable and objective news and information, and the MSI panel said there has been consistent improvement each year despite some relatively minor setbacks. The implication is that the country is open to the world and that this is irreversible and not to be affected by political and economic shifts.

One negative noted by the panel is the manner in which state media cover a variety of views and opinions but still cannot avoid partiality by producing programs

“The radio market is undergoing a serious consolidation. A lot of loopholes in the law are being found in this massive change of ownership, as the sale of licenses is practically illegal. We are witnessing a process which has nothing to do with fair competition,” said Petko Georgiev.

that support the government. At the same time, an increasing number of commercial outlets are investing in programs on issues of public importance. When Radio Free Europe/Radio Liberty stopped funding its Bulgarian-language service in February 2004, it helped establish the independent Bulgarian Radio New Europe, the country’s first all-news/all-talk radio station. Since its launch, the station has tripled its ratings and has developed a series of programs on corruption, reforming the judiciary, political reform, social issues,

Luba Rizova, news director at bTV, explained: “Regional wrongdoing can only be exposed by a national network. Local reporters are easily stopped by

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens’ access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

and culture. New talk-show programs on social and political issues also were launched by bTV, Nova TV, Evropa TV, Channel 3, BBT Television, and others. Such outlets are providing a larger share of informational programming, compared with the public radio and television stations.

Panelists highlighted the insufficient level of transparency of media ownership. Bulgaria’s newspaper industry has a history of off-shore ownership, often hiding Bulgarian or Russian crime-connected money. Consolidation of the radio market during 2004 increased the degree of nontransparency in media ownership. Petko Georgiev said: “The radio market is undergoing a serious consolidation. A lot of loopholes in the law are being found in this massive change of ownership, as the sale of licenses is practically illegal. We are witnessing a process which has nothing to do with fair competition.”

The unclear status of media ownership makes outlets vulnerable to the interests of business, advertising, and political groups. In the print sector, the Westdeutsche Allgemeine Zeitung (WAZ) consortium retains its relative monopoly by controlling the two largest dailies in the country and a number of weekly and monthly publications. Its dominance has expanded from

publishing to the distribution of print advertising. Zoya Dimitrova, deputy editor-in-chief of *Politika* and head of the Investigative Journalism Foundation, said: "There are regulations to ensure a free-market environment for the media, but they are not properly applied. One example is WAZ and the failure of the Anti-trust Commission to impose any restrictions. The outlets outside of the WAZ group are in an unfavorable position."

Citizens' access to domestic and international sources of information is not restricted by the government, nor is it likely to be. A 2004 study conducted by the Alpha Research polling agency showed an increase in the number of Internet users to 21 percent. TNS/TV plan data for 2004 indicate that 67 percent of households subscribe to cable television. Both stand as positive trends. However, the low levels of computer literacy and language proficiency limit the general public's access to otherwise available sources of information.

There was no change in the development of the minority-language media. Such media products are available, but their distribution is limited due to fragmentary demographics and language constraints. The Turkish-language news bulletins of BNT, though not generally welcomed at the beginning, enjoyed a more tolerant environment during 2004.

OBJECTIVE 4: BUSINESS MANAGEMENT

Bulgaria Objective Score: 2.82 / 4.00

Bulgarian media continue to develop as effectively managed businesses while providing guarantees for editorial independence. Advancement appears stable, and, over the course of recent years and under different governments, the Bulgarian media have developed as well-run business structures.

During 2004, the advertising market grew and improved its structure. According to polling-agency estimates, Bulgaria's total advertising market in 2004 reached €250 million, with 75 percent going to broadcast and 25 percent to print outlets. Advertising provided a sound source of revenue, but agencies were more active in working with television than radio. The radio advertising market is relatively weak due to the large number of stations in each market and the competition of cable television stations, which sell advertising at rates similar to those of radio. Meanwhile, print outlets sell most of their advertising directly. Legislation regarding advertising is generally observed. "The advertising agencies work well, but mostly with the mainstream nationals. They overlook the regional outlets, which are deprived of a share

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

of the advertising budgets even in massive national campaigns," explained bTV news director Luba Rizova.

While the major Bulgarian media have a variety of revenue sources, including programming sales and advertising, regional and local outlets faced more serious problems during 2004. Many had trouble attracting advertisers, and the lack of revenue undermined their editorial independence.

The three television stations with national coverage—bTV, Nova, and BNT—share more than 98 percent of the

"The advertising agencies work well, but mostly with the mainstream nationals. They overlook the regional outlets, which are deprived of a share of the advertising budgets even in massive national campaigns," said Luba Rizova.

total television advertising revenues, leaving 2 percent to the more than 150 licensed national, regional, and local cable, broadcast, and satellite channels. The radio market, much smaller in size, is more evenly distributed but is dominated by national broadcaster Darik Radio, BNR, and several national networks.

The development of the advertising market has led to more effective and professional approaches to audience measurement. Pollsters and audience meters offer more reliable products to both the media and the advertising agencies. The domestic people-meter system improved but still was not fully reliable and lacked competition during 2004. Some panelists questioned the accuracy of the data, as well as its objectivity because of an alleged connection with agency and media owners. This link is a direct result of the inadequate transparency of media ownership.

“Generally, publishers are quite secretive about circulation figures. Even with only one state printing house in the past, circulations were kept in secret. With the facilities in private hands now, circulation figures are quite arbitrary. WAZ, for example, has never officially disclosed circulation,” explained Zoya Dimitrova.

Zoya Dimitrova, deputy editor-in-chief of the *Politika* weekly and Investigative Journalism Foundation member, said: “Generally, publishers are quite secretive about circulation figures. Even with only one state printing house in the past, circulations were kept in secret. With the facilities in private hands

now, circulation figures are quite arbitrary. WAZ, for example, has never officially disclosed circulation.”

The Bureau for Independent Audit of Circulation exists, but it is not fully functional. Some major print media are not members, and the information provided by the bureau is not seen as always representative or accurate.

Independent media do not receive state subsidies and are sustainable based on their own revenue streams. Several regional media are owned by their municipalities or receive partial support from the municipal budget.

The media distribution channels are well developed and efficient. The major print distribution firms are owned by the biggest publishers. Regardless, the nationwide distribution of any publication is quite efficient. Distribution problems result more from poor planning by the outlets than from obstacles set by the distribution companies. All newspapers are in private hands, and the state cannot interfere with content or distribution. Printing facilities are continually modernized.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Bulgaria Objective Score: 2.90 / 4.00

Supporting institutions have a solid foundation in the Bulgarian media sector. In 2004, as in past years, panelists indicated continuing improvement and a reasonable level of sustainability for supporting institutions. This improvement has remained unaffected by a number of changes in government.

A range of efficient Bulgarian NGOs support freedom of speech and independent media. Most of these institutions are united under the Bulgarian Media Coalition (BMC), an active champion of journalists’ rights and freedom of speech. They include ABBRO, the Access to Information Program, the Center for Independent Journalism, the Association of Cable TV, the Free Speech Forum, and the Union of Bulgarian Journalists. In recent years, the Union of Bulgarian Publishers has brought together most of the owners of big print media and played an important role in developing the media market. Gergana Jouleva, head of the Access to Information Program, said the key organizations “maintain dialogue with the government and press for more European behavior.” The groups worked during 2004 on drafting an amended broadcast law that would revamp the licensing process and resolve the lack of reforms in state-owned media.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Institutions protecting the interests of media owners and private publishers began to emerge on the media scene in 2004. They expanded to adopt new members and reached out to smaller regional outlets. The Union of Daily Publishers was transformed into the Union of Print Publishers to encompass weekly newspapers and magazine publishers. Yovo Nikolov, an investigative journalist, contended that “protection of the interests of the industry and individual journalists remains relatively low. The industry is dominated by the media owners, and the level of editorial or individual independence is up to them. This is particularly true in the print industry.” Following the adoption of the Ethical Code of Bulgarian Media, the Union of National Media was established as a new organization designed to support the emerging ethics self-regulation bodies.

The media trade-unions remain the least developed support organizations. One of the older unions, the Union of Journalists of Bulgaria, ceased to operate entirely, while the Union of Bulgarian Journalists deteriorated further toward uselessness, held hostage to the political affiliations of some members. Panelists also pointed out that media professionals remain vulnerable to the lax labor law that offers them little protection.

Well-developed and efficient training programs are available industry-wide. Such programs use both domestic and international consultants. Two specialized facilities

offer high-quality training courses: the ProMedia Broadcast Training Center and the Media Development Center. These short-term and on-the-job training opportunities were more highly regarded than the academic journalism programs available in Bulgaria. The

quality of journalism education is mainly compromised by the lack of up-to-date and practical instruction.

In 2004, many private owners controlled printing facilities and media distribution channels. From this perspective, there are no formal restrictions on the free distribution and penetration of the media. The privatization of the Bulgarian Telecom Company in 2004 put an end to the state’s monopoly on telecommunications in general.

According to Yovo Nikolov, “Protection of the interests of the industry and individual journalists remains relatively low. The industry is dominated by the media owners, and the level of editorial or individual independence is up to them. This is particularly true in the print industry.”

Panel Participants

Rumiana Bachvarova, sociologist, director of Media Links Polling Agency

Boiko Stankushev, television reporter, talk-show host

Yovo Nikolov, Kapital weekly special correspondent, cofounder/board member of the Bulgarian Association of Investigative Journalists, cofounder of Transparency International, Bulgaria

Dimitar Sotirov, journalist, executive director of the Bulgarian Media Coalition (BMC)

Yassen Boyadjiev, Inforadio program director, cofounder/chair of the Board of Free Speech Civic Forum

Vessela Tabakova, professor at the Faculty of Journalism and Mass Communications at Sofia University, head of the Center of Independent Journalism (CIJ)

Petko Georgiev, executive director of BTC ProMedia, journalist and political analyst at Radio New Europe

Zoya Dimitrova, investigative journalist, board member of the Bulgarian Association of Investigative Journalists

Luba Rizova, director, bTV News Department

Ivo Draganov, documentarist, media expert, former media regulatory council member, professor at the Mass Communications Faculty, New Bulgarian University, Sofia

Gergana Jouleva, executive director, Access to Information Program

Moderator

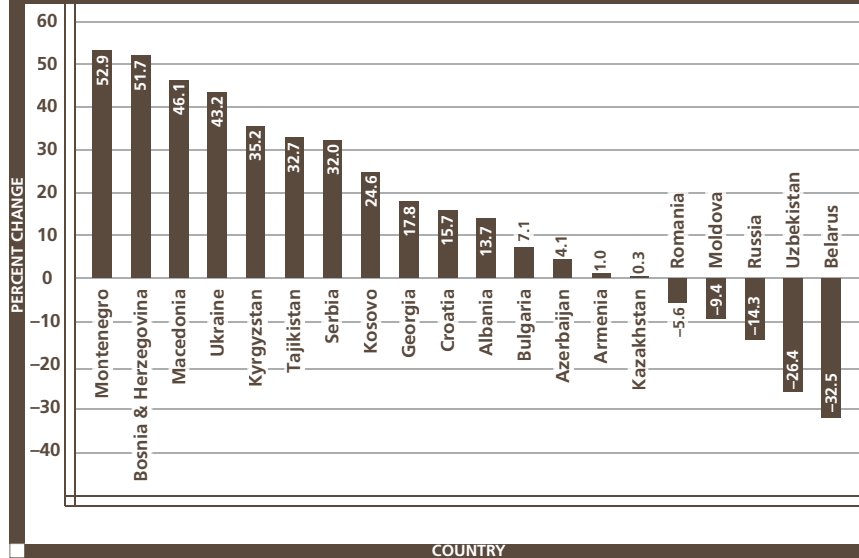
Rumiana Bachvarova, director, Media Links Polling Agency

BULGARIA AT A GLANCE

GENERAL

- **Population:** 7,761,049 *National Statistics Institute, 2004*
- **Capital city:** Sofia
- **Ethnic groups (% of population):** Bulgarians 84%, Turks 9.4%, Romas 4.7%, others 1.9% *National Statistics Institute, 2004*
- **Religions (% of population):** Eastern Orthodox 83%, Muslim 12%, none 3%, other 2% *National Statistics Institute, 2004*
- **Languages (% of population):** Bulgarian 84%, Turkish 9.6%, Roma 4.1% *National Statistics Institute, 2004*
- **GDP:** US\$61 billion at PPP; GDP per capita: \$8,200 at PPP *National Statistics Institute, 2004*
- **Literacy rate (% of population):** 99.1% *National Statistics Institute, 2004*
- **President or top authority:** President Georgi Parvanov, Prime Minister Simeon Saxe-Cobourg-Gotha
- **Next scheduled elections:** June 25, 2005 (general)

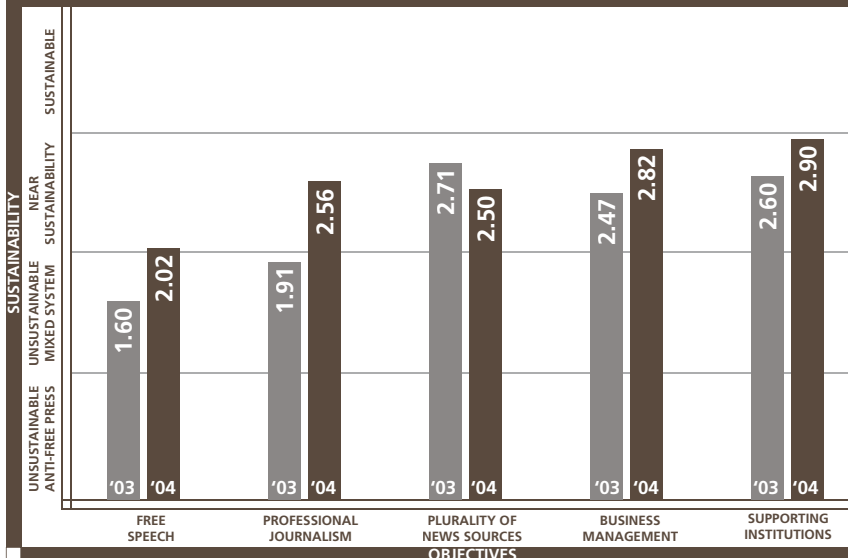
MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** The total circulation of dailies is 668,000. *National Statistics Institute, 2004.* The circulation of *Trud* is 250,000. *GfK Bulgaria, 2004*
- **Broadcast ratings (top three ranked stations):** Television: bTV 38%, Nova TV 14%, BNT (state) 19% *TNS/TV Plan people meters, 2005*
- **Number of print outlets, radio stations, television stations:** There are 386 newspapers. *National Statistics Institute, 2004.* There are 250 radio stations and 187 television stations. *Council for Electronic Media*
- **Annual advertising revenue in media sector:** US\$52 million *TNS/TV Plan people meters, 2005*
- **Number of Internet users:** 900,000 *GfK Bulgaria, 2004*
- **Names of news agencies:** BTA (state), FocusNews, BGNes

MEDIA SUSTAINABILITY INDEX: BULGARIA



"THE ATTEMPTS TO IMPOSE POLITICAL CONTROL OVER MEDIA GET BACK TO THOSE WHO INITIATE THEM LIKE A BOOMERANG. SO ON THE ONE HAND, WE HAVE, METAPHORICALLY SPEAKING, A COUNTERREVOLUTION. ON THE OTHER HAND, WE HAVE A STRONG AND EFFICIENT PUBLIC DISCOURSE ON THE PREVENTION OF ATTEMPTS TO JEOPARDIZE MEDIA FREEDOMS," SAID DENIS KULJIS.



A

fter nearly four years in power, the Social Democratic Party (SDP) and its center-left government were defeated by the reformed center-right Croatian Democratic Alliance (HDZ) in the November 2003 elections. Political analysts agreed that the ruling coalition lost because it could not fulfill the many promises it had made when coming to power in 2000, including reforming the justice system, prosecuting fraudulent business leaders, maintaining full cooperation with the International Criminal Court at The Hague, and sorting out the criminality in the privatization process. Furthermore, unemployment and external debt levels remained high and the SDP-led coalition slipped into a cycle of political infighting.

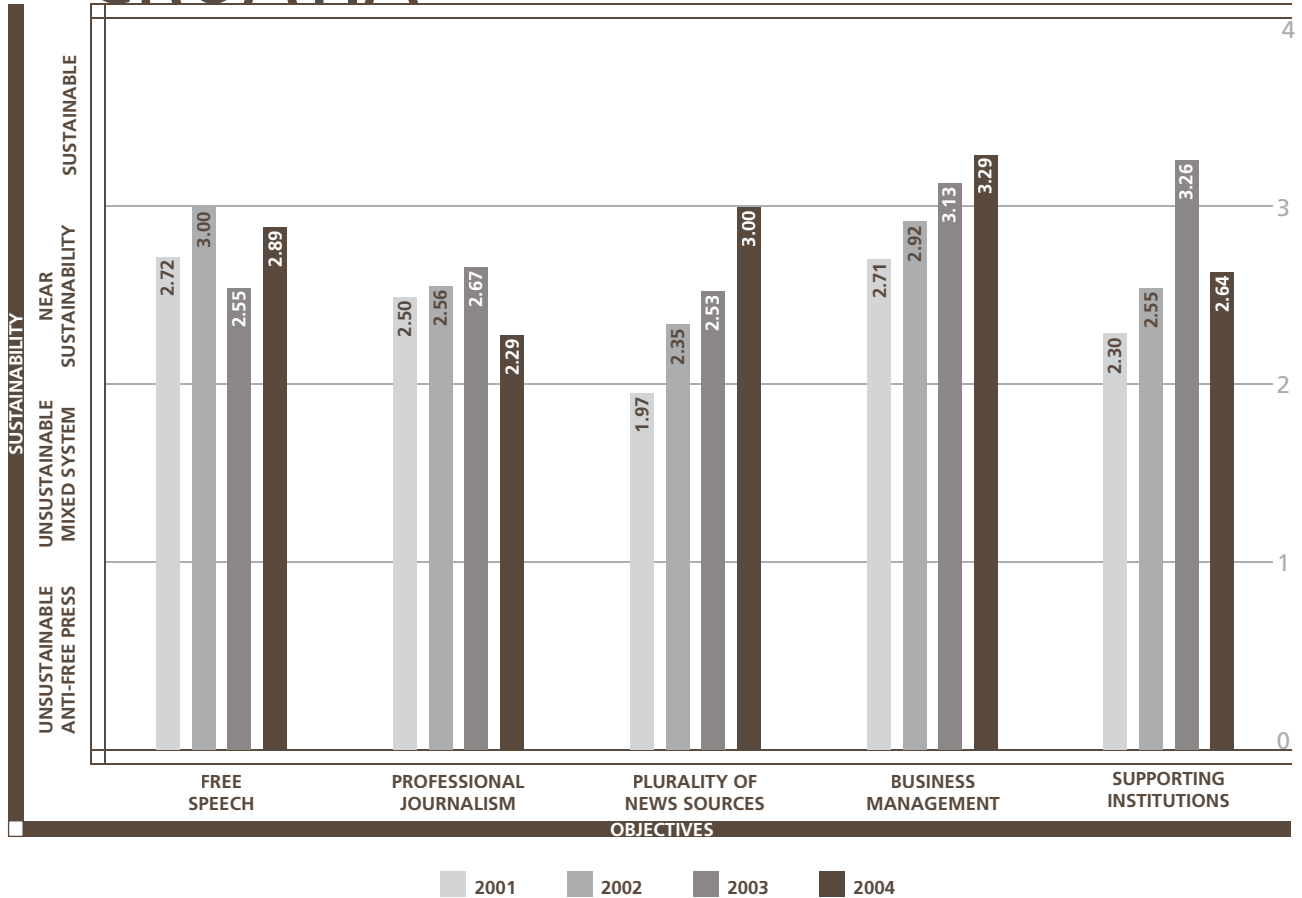
Depending on a very thin and fragile parliament majority, the HDZ committed itself to Euro-Atlantic integration. The HDZ quickly concluded that the foreign-policy priority for the country would be joining the European Union and resolving all open questions with Croatia's neighbors. The HDZ insisted that it would comply with Croatia's obligations toward the Hague tribunal and promised to accelerate the process of returning Serb refugees. During 2004, there were encouraging and highly symbolic events, such as Prime Minister Ivo Sanader's speech to the Serbian minority using traditional Orthodox phrases of congratulation for the Orthodox Christmas, that underlined attempts made by the HDZ leadership in reforming the party.

However, the return of the HDZ to power, even as a reformed party, has raised many concerns, both locally and internationally. Considering the notoriously poor HDZ record on human rights and media freedoms, some political analysts were—and to a certain degree, remain—skeptical about the reality of the proclaimed pro-European HDZ orientation.

Indeed, the new government coalition has been attempting to co-opt the media more explicitly than the previous government, especially when it comes to control of the national public television. Tactless violations of media freedoms such as a request by the former vice prime minister to go directly on air by phone during the main live television news bulletin

MEDIA SUSTAINABILITY INDEX

CROATIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

reminded some 2004 Media Sustainability Index (MSI) panelists of the experiences of the 1990s. However, journalists associations, nongovernmental organizations (NGOs), and public opinion in general have managed to prevent a significant return to the period of government direction of the media. “The attempts to impose political control over media get back to those who initiate them like a boomerang. So on the one hand, we have, metaphorically speaking, a counterrevolution. On the other hand, we have a strong and efficient public discourse on the prevention of attempts to jeopardize media freedoms,” said panelist Denis Kuljis, a journalist.

Croatian media today are to a large extent unregulated and subject to free-market rules. With more than 150 broadcasters—four national television channels, 14 local television stations, five national radio stations, and 131 local radio stations—in a country of only 4.5 million people plus six nationwide and seven local dailies and more than 900 other print publications, the Croatian media landscape hardly resembles a monopoly. No longer evident are the open pressure, harassment, economic extortion, and arbitrary prosecutions so characteristic of the media environment during the 1990s. Still, journalists are increasingly subject to different types of subtle censorship or self-censorship. In this way, they are pushed to represent the interests of media owners who seek to use their outlets to promote political or business agendas.

OBJECTIVE 1: FREE SPEECH

Croatia Objective Score: 2.89 / 4.00

Croatian media legislation and the laws that define the media and social framework include the Constitution of the Republic of Croatia, the Media Law, the Electronic Media Law, the Croatian Public Radio and TV Law, the Penal Law, and the Freedom of Access to Information Law, and these measures effectively cover all of the crucial issues. According to the MSI panelists, media-related legislation provides for high levels of media freedoms and protects the journalism profession by setting exacting standards. One panelist suggested that media rights and duties are perhaps even overregulated. “We have an almost too highly regulated system of protecting media freedoms, as a result of implementing all of the progressive standards at once, to show that we can work under the ‘Western standards.’ But that does not mean that journalists themselves are better protected,” said panelist Emil Havkic, a lawyer specializing in media legislation. As an example of “overregulation,” the panelist mentioned broadcast

legislation that very precisely defines the obligations of local and national broadcasters to produce news programming as a strictly set percentage of the total daily programming output.

The media-related legislation is still far from perfect,

however. It was encouraging during 2004 that a high level of consensus had been reached both by the political parties and civil society on what needed to be changed or improved. According to the panelists, the key requirement is increased public awareness of the need to protect and promote media freedoms,

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Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

and radical changes are not necessary. Even one of the most obvious shortcomings, the composition and the authority of the Public TV Council, does not threaten the council's independence and professional integrity. Panelists concluded that too-frequent changes in the media law should stop in order for the legal system to stabilize, allowing self-regulatory bodies to become

effective through experience rather than solutions mandated from above.

The licensing of broadcasters and frequency allocation is controlled by an independent board, the Council for Electronic Media, named by the parliament. Panelists agreed that the process by which members are selected and appointed by the parliament

from the list of applications received during a public solicitation is not transparent enough. Furthermore, panelists questioned the professional competence of some members since only a few journalists and no media industry experts sit on the council. On the other hand, there are no guarantees that a different method of electing the council would result in a more independent or efficient body. Panelists agreed that the most important criteria in judging the work of the council should be its results. Since the most important licensing decisions had been made before the council was empanelled, it has not been possible yet to judge definitively its political impartiality and efficiency. However, some initial decisions, such as initiating efficient monitoring of adherence to regulations such as the percentage of airtime for commercials, have been encouraging. "It is clear that the days are past when frequencies are allocated only to the regime's cronies, political allies, and friends," said panelist Denis Kuljis, a journalist.

The media industry is treated equally with regard to taxation and economic opportunities. Media owners demanded the cancellation or reduction of the value-added tax (VAT) mandatory for all business activities relating to print publications and broadcast

productions, but the government did not consider the requests. Only the television subscription rate, about \$10 a month per household, is free from VAT because it is defined as a tax on the ownership of a television or radio. Three percent of the tax, about \$4,000,000 per year, goes to the Fund for Pluralism, which is supposed to promote and support public-interest programs produced by commercial television stations. The commercial outlets criticize the subscription tax as favoring Public Radio and Television (HRT), and panelists agreed that it to a certain extent still has a privileged economic position, since 97 percent of the revenue goes to support the public station. However, panelists felt that the uncontrolled influx of poor-quality programming on public television was a much more significant issue and warned that it frequently neglects its role as a public service, particularly when it comes to cultural or educational programming.

Panelists noted the difficulty of market entry for new print media. The print industry is dominated by two leading companies that often combine their resources to protect their dominant market positions. They collaborate out of commercial interest, not for political gain. However, monopoly situations provide space for the promotion of the agenda of the outlet owners to come into play. There is no monopoly among the broadcast media. Panelists discussed the new phenomenon of print outlets selling additional media products with their newspapers. All the major daily newspapers sell weekly editions that include books, movies, and documentaries on DVD, or music CDs along with the newspapers. Some panelists viewed this trend as representing the profit-driven interests of the newspaper publishers and the further "trivialization" of media products. The trend also was seen as unfair competition that seriously threatens the book-publishing market and bookstore owners. On the other hand, in 2004, Croatian newspaper publishers sold between 5 million and 7 million books, among them many high-quality titles. Some panel members believed that selling 7 million books in a market of 1 million households is a positive cultural benefit that could not be ignored.

Violence against journalists was less perceptible during 2004. The public was generally informed about physical attacks on journalists, although harassment and threats were less publicized. Despite the decreasing number of attacks, panelists stressed that Croatian police still do not resolve those cases that have occurred, even the higher-profile ones that are years old. According to panelist Geza Stantic of the Croatian Helsinki Committee, "During 2004 we could count at least 10 attacks of high-ranking politicians directed against

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Meanwhile, libel is still regulated by the criminal code. Efforts to decriminalize libel have been made, but with no result, although the criminal code was changed so that the offended party must prove falsity or malice. Only one journalist actually came close to prison during 2004, and that was because he did not pay a financial penalty for slander. The problem was resolved by the justice minister, who paid the financial penalty for the sentenced journalist herself to underline the necessity of changing “old and out-of-date legal provisions.”

Panelists warned that the current government is less open than the previous administration, and consequently information from public sources is less accessible. However, there are no examples of deliberate discrimination directed against certain journalists or media outlets. Access to foreign print, electronic, or online sources of information is completely open and unrestricted, as it has been for the past several years.

The government imposes no licensing restrictions for journalists. The Croatian Journalist Association issues press credentials to journalists—including international press cards—independently from the government. Journalists must show that they have been full-time, part-time, or freelance for more than a year; although the association credentials are not required for work as a journalist, they serve as additional identification.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Croatia Objective Score: 2.29 / 4.00

Balanced, objective, and well-sourced reporting is still the weakest point of Croatian journalism. The Croatian Journalist Association (CJA) is the only organization to provide ethical and professional direction to journalists. Some publishers use an ethical code, as does the largest broadcaster in Croatia, HRT. For most individual publishers and broadcasters, there are no institutions authorized to deal with public complaints. Also, the editors and journalists are organized into different associations and sometimes find themselves in very complicated and extremely unfriendly relationships, which do not help to support the national ethical journalism code. As an example, two of the major Croatian publishers, Euro Press Holding (EPH) and Nacional, have been involved in

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

“media war” since the 1990s. Accusations go from linking the publishers with various criminal operations to “promoting the agenda of foreign intelligence services” and include the brief imprisonment of the EPH owner based on allegations published by his opponent and the still unsolved case of a bomb planted under his car. This battle has divided elements of the media community into camps engaged in a counterproductive contest of wills.

“Media content is becoming more and more trivial, in opposition to the hard-core political content produced by the media in the 1990s. At the same time, this is proof that we are becoming a normal country,” said Ante Gavranovic.

Some journalists end up reporting based on “for whom they work,” not on an accepted level of professional skills and standards.

Some publishers and owners use their publications in promoting their own agenda. This trend is not always politically motivated. The larger publishers combine business and political agendas, siding not so much with political parties as with different networks of business and political lobby groups. This problem

clearly represents a potential threat to journalists' independence. According to panelist Tena Perisin, "At local media, but also at public television, there are frequent discussions about whether or not negative information about large companies should be part of the news. Large advertisers often directly or indirectly influence reporting when they are the subjects of the reports. This occurs at the public-service and at commercial media."

Different forms of self-censorship have therefore mostly replaced open pressure on journalists exerted by top-level politicians. The poor professional autonomy

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of editors is another concern for Croatian journalism. Additionally, editors often work without contracts or any protection from media owners. Therefore, they are susceptible to pressure from their owners and can give in to self-censorship.

The lack of professional skills particularly affects local print and broadcast media that have the

irreplaceable role of supplying local audiences with news that is not otherwise available. Most of these outlets have strong viewership or readership within the local audiences. For example, the daily *Glas Istre* is purchased by almost 60 percent of the households in the Istria region. However, the common problem for local media is the dearth of trained professional journalists. Local papers suffer from a brain-drain as skilled journalists leave to serve as local correspondents for nationally distributed papers, attracted by better salaries and greater prestige. In the case of broadcast media, there is a lack of money to support efficient newsrooms. Also, links with local authorities who in some cases provide direct financial support and in other cases offer favorable monthly rents, can result in unprofessional or biased coverage of the local authorities.

In spring 2004, the results of an anonymous survey conducted by the Journalists Trade Union leaked out and were partially publicized. The survey suggested that journalists felt their rights were very restricted, even at papers known to be frontrunners in implementing media freedoms and democratic and human-rights standards. The survey organizers were brutally attacked in some of the newspapers, and, because of harsh reactions by some publishers, public discussion about the status of journalists' rights was aborted and/or postponed.

Croatian journalism features the well-paid elite, whose wages and benefits can be compared to those at leading global media. At some of the largest national daily papers and outstanding local newspapers, salaries are determined by collective contracts with the publishers. The highest-paid managers have contracts including salaries, apartments, cars, life insurance, and other benefits. In some cases, the real value of such contracts can reach \$15,000 a month or even more, with some at HRT reportedly as high as \$35,000 a month. In contrast, most local media pay very low wages to journalists in the range of \$600 to \$700 a month. In addition, salaries at local media are often paid irregularly and in cash so that the employer can pay less tax on the employee benefits. Journalists from smaller media outlets are sometimes asked to do tasks outside their job description such as selling commercials and ads, or even cleaning the offices.

According to the CJA, there are more than 1,100 freelancers in Croatia out of 3,000 registered members. Most became freelancers not by choice, but because they were direct or collateral victims of the political purges at the beginning of the 1990s. Others were subject to downsizing at the formerly overstaffed government-owned media outlets. The relatively advanced age and educational background of many freelancers makes employment difficult. This lowers the professional standards in media. Although younger journalists are generally better educated, especially in computer skills, than the older generation, there is a gap in professional skills that is difficult to fill without the chance for on-the-job mentoring from more experienced colleagues.

According to general surveys by the Institute for Sociology, journalism is not a profession that has an especially good social or professional reputation. Media in general are governed by market forces to the extent that they sometimes neglect the essence of professional journalism. Panelist Ante Gavranovic, with just a bit of cynicism, commented: "Media content is becoming more and more trivial, in opposition to the

hard-core political content produced by the media in the 1990s. At the same time, this is proof that we are becoming a normal country.”

For the most part, printing facilities are privately owned and have no limitations or restrictions on operations. Importing of newsprint is completely unrestricted. Technical facilities and equipment generally are modern and efficient. The broadcast media have the necessary equipment but often lack the personnel who are trained in its proper use.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Croatia Objective Score: 3.00 / 4.00

With 150 registered and licensed radio and television stations in Croatia, the number of broadcasters is more than the market can support. Those broadcasters currently air their programs for a potential audience of only 4.5 million people. Although the frequency allocations (and related market share) inherited from the mid- to late 1990s are still considered questionable because the process was not transparent and linked to political affiliations, the current situation represents a reasonably fair distribution of power, coverage, market share, and political orientation for radio broadcasters.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens’ access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Foreign broadcasters such as BBC, Voice of America, Deutsche Welle, and RFE also broadcast in Croatia, although with much smaller market share than the local stations.

A major problem for radio broadcasters is their close connections to their respective local governments. Local stations depend in many ways on local authorities.

Outlets receive direct financial support from local governments, mostly cast as compensation for expenses from covering local government activities or via commercials bought by public companies controlled by the government. They also use buildings owned by the administrations. Such relations represent a potential threat to fair and balanced reporting on local government activities. An

additional problem is advertising income insufficient to support basic newsroom costs. For this reason, most local stations use the national news agency or a network news provider as their news source. These stations cannot offer proper coverage of local political and social events that are not handled by the national news agency. This situation of local government subsidy through compensation for news coverage or public company commercials also applies to most of the 15 regional commercial television stations in Croatia.

The print media are faring substantially better in Croatia. Readers have a choice of six national and seven local daily newspapers. These papers report on all of the important local, national, and international issues. Panelists agreed that biased political coverage is much rarer now than in the 1990s. However, the powerful influence of the owners and business and political lobby groups to which the media owners belong are a threat to objective reporting. Panelists expressed concern that the harsh competition and openly bad relations between some publishers are too often reflected in the content. This situation then

“Competition in the media market definitely exists. Every important event is reported by four or five daily papers and several television channels. It can no longer happen as in the past when only one source of information exists. It is also unacceptable that a bipolar media scene exists in which outlets are either pro or against the government. Today we have a plurality of points of views,” noted Geza Stantic.

damages the credibility of the broader media and the respectability of the journalism profession in general, the panelists said.

Public radio and television programming represents a sufficient level of political and cultural pluralism. Some public-television programs—particularly coverage of parliament activities and comments during the main television news bulletin—have been criticized by the government, various ministers, and war veterans associations. Other programs led to orchestrated attacks by Catholic groups and institutions against the “media terror on public television.” For example, the *Zlikavci* show, an independently produced *South Park*-style cartoon, was widely criticized. Public television, as previously mentioned, often seeks to compete directly with commercial television. HRT favors shows that generate high ratings, resulting in a high degree of

“The new national channels contribute to the triviality of television programming. But competition in the media market has stopped national television stations from avoiding ‘delicate issues.’ That is simply no longer possible,” explained Anja Picelj.

similarity between the programs offered by public television and those on commercial stations—and too often the same lowest common denominator. Panelists concluded that if public television takes advantage of mandatory subscription fees and tax revenues, it should not

compete with other commercial stations by lowering production and programming standards. HRT’s use of public financing should result in higher-quality dramas, news, and educational programs, the panelists said. The public station justifies its strategy by producing a noticeably higher level of information programs in relation to the commercial competition, but panelists felt that was not sufficient.

Panelists concluded that Croatian media cover the entire spectrum of public interest, leaving no political or social issue without a public voice. The quality of reporting, on the other hand, is another question. Panelist Geza Stantic from the Croatian Helsinki Committee stated: “Competition in the media market definitely exists. Every important event is reported by four or five daily papers and several television channels. It can no longer happen as in the past when only one source of information exists. It is also unacceptable that a bipolar

media scene exists in which outlets are either pro or against the government. Today we have a plurality of points of views.” Added panelist Anja Picelj: “The new national channels contribute to the triviality of television programming. But competition in the media market has stopped national television stations from avoiding ‘delicate issues.’ That is simply no longer possible.”

The Croatian print industry is not monopolized by any one outlet. However, despite clear and unambiguous legal regulations, media ownership is still nontransparent. At the beginning of each year, publishers and owners are obliged to send to the Ministry of Culture statements detailing the ownership structure of their respective media outlets. But many outlets do not comply. The takeover of the daily newspaper *Slobodna Dalmacija* by the largest Croatian (and regional) publisher, Euro Press Holding (EPH), is still a controversial issue due to different interpretations of the relevant antimonopoly provisions. The concentration of media ownership and antimonopoly regulations are still very important, especially in Croatia’s small market. On the other hand, the privatization of the third national television network has, despite some negative consequences, noticeably dynamized that media sector and removed forever the once untouchable public-television monopoly.

Media are widely accessible, despite the relatively high prices of newspapers. According to the European Broadcast Union’s statistics, Croatia has the highest percent of television subscription collection rates among countries in transition, with 94 percent of households regularly paying the fee. This means that almost every household in Croatia has access to the national television channels. Cable television is expanding its reach in the big cities while it builds out its infrastructure. Meanwhile, an estimated 40 percent of the population uses online services at home or at work. Only 5 percent of households have broadband Internet access, but this number is constantly increasing.

There are no restrictions regarding access to foreign news sources. Foreign television channels are available via satellite and on cable television. All of the relevant foreign daily, weekly, or periodical papers are available at kiosks or by subscription.

Nominally, the Croatian government is still the largest media owner (especially if local governments are considered), measured by the number of the outlets in which local governments have a formal owner’s share. Despite ownership of media, the government does not financially or otherwise extend preferential treatment to the papers or broadcasters in which it has a stake. However, there are at least two cases in which

public funds are extensively used to finance media. The transformation of the radio television subscription rate into a tax, which exempted HRT from paying VAT, was previously mentioned. Also, the daily paper *Vjesnik*, suffering from red ink for about 30 years, has received significant government financial support. Some panelists concluded that HRT has a privileged position vis-à-vis the commercial competition since the public station gets income from the mandatory subscription rate and from advertising income. However, since these two funding sources are used by most of the European countries, the privileged position of HRT would not be so important if it actually fulfilled its public-programming obligations. In the case of *Vjesnik*, the paper has been a media institution for generations of readers. It is the remnant of a paper not completely dependent on sold circulation, which in theory could result in higher-quality content. *Vjesnik* has been financed for years out of the government budget, partly because of inertia and the perceived need to save a paper that would not have to compromise between quality reporting and market demands.

There are only two news agencies in Croatia. By far the largest and more important is HINA, a public news agency with relatively good professional services. However, HINA is extremely expensive, and most Croatian media outlets cannot afford it. The other agency is STINA, a small, privately owned agency that specializes in regional news exchanges but lacks a general news service and is therefore inferior to HINA.

OBJECTIVE 4: BUSINESS MANAGEMENT

Croatia Objective Score: 3.29 / 4.00

From the formal point of view, the Croatian print distribution network is almost monopolized by Tisak, a company that owns more than 80 percent of the newspaper kiosks. With an average of only 2 to 5 percent of circulation being sold through subscriptions, the percentage of the overall distribution controlled by Tisak becomes even more important. In the 1990s, Tisak was owned by one of the regime's cronies and used against independent media. In most cases, Tisak did not pay for months, or at all, money owed to independent outlets, bringing them to the brink of bankruptcy. It was mostly thanks to international donors that some of the independent print outlets like *Feral Tribune* survived such pressure.

In 2002, Tisak transformed its huge debt to some of the publishers (and the biggest tobacco factory in Croatia) into ownership shares. From that, Euro Press Holding (the

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

publisher of daily *Jutarnji List*, weekly *Globus*, and more than 20 other titles), *Vecernji List* (the highest circulated paper estimated at between 110,000 and 145,000 copies daily), and the tobacco factory Rovinj each hold 25-percent shares in Tisak. Despite its near-monopoly status, Tisak has been a very efficient distributor, and there have been

no complaints from publishers, including those who are competing directly with two of the Tisak owners. However, a major competitor of the tobacco factory has filed a protest with the antimonopoly agency.

Dailies *Slobodna Dalmacija*, *Novi List*, and *Glas Istre* are using both Tisak and their own smaller networks of

“The media plurality and the competition among outlets increased the need for the good journalists. That is good as far as the payment of journalists is concerned, especially when we are thinking about the national media. Some journalists have shamelessly high monthly wages. It is good for them, but it is also good for the development of the media market,” said Denis Kuljis.

kiosks. Recently, Distri Press has been very active in distributing papers, mostly for non-kiosk selling points such as delis, grocery stores, and restaurants. Distri Press started in Zagreb, but it is now active in many larger Croatian cities.

Panelists agreed that media receive revenue from a multitude of sources. As mentioned, local radio and television stations receive direct or in-kind financial support from the local government. With one only exception, the low-circulation daily *Vjesnik*, print media do not receive any government subsidies. Also as mentioned, most publishers of the dailies have started selling additional media products with their papers, including books, dictionaries, geographic and road maps, music CDs, and movie DVDs. Due to the large quantity of these products, prices are up to 30 percent lower than through usual distribution. This promotion tactic has proven to be a real boost for newspaper circulation.

Panelists said publishers and producers continue to hide actual circulation numbers or program ratings. The unreliable circulation and viewership data, coupled with the consistent growth of the Croatian advertising market by 15 percent per year, resulted in the creation of new market-research companies. The leading advertising companies are already present in Croatia, and that results in stable growth in the quality and reliability of market data. However, only the largest national media use market surveys, focus-group data, and similar research tools in defining long-term business strategies. Most local media still use unreliable and unprofessional market surveys.

The ratio of advertising to circulation revenue that exists in Western countries (roughly 75 percent advertising to 25 percent circulation) has not yet been attained by Croatian print media. Croatian Chamber of Commerce data show that larger national papers like *Vecernji List* and *Jutarnji List* receive between 60 and 75 percent of the total income from advertising, and up to 90 percent during peak advertising seasons like Christmas. Other papers still depend on circulation for 80 percent of their income, leading some to tailor their journalism toward more popular sensationalism. Subscription revenues represent less than 5 percent of the overall circulation of Croatian papers, creating a kind of "kiosk addiction" that contributes to sensationalism.

Independent media do not receive any government subsidies. The fact that there are more than 150 broadcasters and more than 900 different print publications is the best indication that the industry is healthy and profitable. Panelist Denis Kuljis said, "The media plurality and the competition among outlets

increased the need for the good journalists. That is good as far as the payment of journalists is concerned, especially when we are thinking about the national media. Some journalists have shamelessly high monthly wages. It is good for them, but it is also good for the development of the media market."

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Croatia Objective Score: 2.64 / 4.00

The Croatian Journalist Association (CJA) and the Trade Union of Journalists are the dominant professional associations. They are partner associations that collaborate to protect the professional interests and labor rights of journalists.

Croatia is the rare country in transition with only one association for professional journalists. During the 1990s, CJA had a critical role in defending basic media freedoms. In the later stages of Tudjman's regime, its role was more focused on introducing and implementing advanced professional standards. After the democratic elections in December 1999 to January 2000, CJA began redefining its role from that of a partially political organization to a strictly professional association. Panelists concede this process will take time and probably meet resistance from within.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

CJA drafts media laws and lobbies for media-related legislation. This includes crafting amendments and determining other important elements of the journalism profession such as social and health insurance codes, pension funds, and freelance employment terms. Due to divisions among rival publishers, CJA has experienced difficulties in implementing a solid Code of Ethics. Maintaining a nonpartisan position in the feud was necessary to preserve CJA's professional reputation but increasingly limits the association in its daily activities and overall influence.

The Trade Union is a relatively strong institution that works closely with CJA and focuses on employment law. The union has been actively involved in drafting and implementing labor agreements and collective contracts with publishers. Currently, the labor agreements and collective contracts apply only to major national publishers. However, the Trade Union and CJA are working on a national collective agreement that applies to all media outlets.

Both CJA and the union maintain good relations with counterpart organizations in the European Union. They often offer expertise and other support to professional associations in other transition countries.

Both institutions are to a large degree financially self-sustainable. CJA covers its basic expenses 80 percent through membership fees and 20 percent from renting office space it owns in downtown Zagreb. The Trade Union operates exclusively on membership fees, which vary depending on the gross monthly salary of the member.

Publishers and journalists have not partnered in order to jointly protect and promote media interests. Nor have they acted to enforce the self-regulation of important media-specific problems. For example, panel members said, they need to develop a professional and ethical journalism code. The group representing local electronic and print media known as HURIN, the national association of local television stations NUT, and, recently, the Association of Newspapers Publishers are relatively efficient organizations. Along with HURIN, a small association of independent radio stations UNRP/ AIR formed as a result of the relationships begun in the second half of the 1990s when HURIN was pro-government. Without that political context today, the two associations collaborate to resolve mutual problems experienced by the local broadcasters.

Commercial television stations with national licenses as well as Croatian Public Radio and TV (HRT) do not participate in any of the associations. This lack of participation makes the broadcasters' association

considerably less influential than it could otherwise be. Very tense relations among some of the leading publishers decrease the potential of the publishers' association. This was a main reason why the newspaper publishers did not succeed in negotiations with the government regarding the VAT issue. The Catholic print and broadcast media are organized separately. Because of different and often mutually exclusive interests, cooperation among the print media groups, the electronic media associations, and the publishers' association is more of an exception than the rule. As a result, associations have missed opportunities to create a strong and respectable synergy.

Despite progress made by the Faculty of Journalism in recent years, students do not get enough practical training. CJA has a national education center in Opatija, where meetings and workshops are organized about once per week. Panelist Tena Perisin said, "Most Croatian editors do not want to go to training and journalism workshops. They still have that 'We know everything' approach. Quite often they do not let journalists go to professional workshops, considering it a 'waste of time.' In reality, they fear new skills that could threaten their position."

"Most Croatian editors do not want to go to training and journalism workshops. They still have that 'We know everything' approach. Quite often they do not let journalists go to professional workshops, considering it a 'waste of time.' In reality, they fear new skills that could threaten their position," noted Tena Perisin.

When the IREX/ProMedia project funded primarily by the US Agency for International Development ended in September 2004, Croatia was left almost without international media support. In the 1990s, IREX/ProMedia, Open Society Institute, Press Now, Swedish Helsinki Committee, the US Information Service, and others were very active. Most of the foreign media foundations withdrew their support from Croatia in 2001 and 2002. Panelists were aware that other countries began drawing donor support but concluded that the withdrawal should have been more gradual to wean media from dependency on foreign aid.

Nevertheless, panelists agreed that international donors had a very important role in developing and

diversifying the media scene in Croatia, especially in the mid- to late 1990s. There were times at which donor money was critically important in keeping alive some of the most important voices of civil society. These included financial support to Radio 101 in Zagreb in 1996 and 1998, or financial support that kept alive the *Feral Tribune* in Split after the government imposed a special tax in 1996. It would be very difficult to underestimate the overall impact of these outlets as agents of political and social change in Croatia, a contribution that goes far beyond figures on circulation or audience ratings.

Among the nonmedia NGOs, the Croatian Helsinki Committee is a watchdog organization with a long history of protecting freedoms in the country.

Panel Participants

Ante Gavranovic, president, Association of Publishers

Emil Havkic, lawyer

Denis Kuljis, journalist

Tena Perisin, editor, HRT

Anja Picelj, US Embassy, Public Affairs Office

Geza Stantic, member, Croatian Helsinki Committee

Davor Glavas, Head of Service, BBC Croatia

Moderator

Davor Glavas, Head of Service, BBC Croatia

CROATIA AT A GLANCE

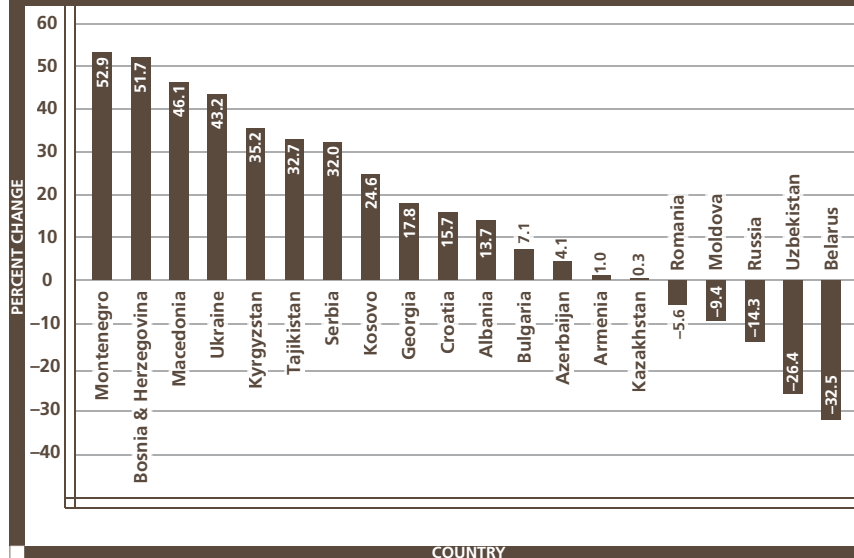
GENERAL (data from CIA World Factbook)

- **Population:** 4,496,869 (est. June 2004)
- **Capital city:** Zagreb (773,000 est. 2004)
- **Ethnic groups (% of population):** Croats 89.6%, Serbs 4.5%, Bosniaks 0.5%
- **Religions (% of population):** Roman Catholic 87.8%, Orthodox 4.4%, Muslim 1.3%, Protestant 0.3%
- **Languages (% of population):** Croatian 96%, other 4%
- **GDP:** US\$47.05 billion (est. 2003); GDP per capita: US\$10.600 (purchasing power parity)
- **Literacy rate (% of population):** 98.5%
- **Chief of state:** President Stjepan Mesic
- **Head of government:** Prime Minister Ivo Sanader

MEDIA-SPECIFIC (data from Croatian Journalists Association and the Association of Croatian Broadcasters and Publishers [HURIN] 2004 Annual Report)

- **Newspaper circulation statistics (total circulation and largest paper):** There are no reliable figures on total circulation of the papers. *Vecernji List* sells between 110,000 and 145,000 copies a day. *Jutarnji List* (Zagreb) sells 75,000 to

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



110,000 copies, *Slobodna Dalmacija* (Split) sells 55,000 to 70,000 copies, and *Novi List* (Rijeka) sells 45,000 to 60,000 copies. Total circulation of daily papers is estimated at 450,000 to 550,000 copies a day.

- **Broadcast ratings (top three ranked stations):** HRT 1 (Public TV, first channel), HRTL (Croatian RTL), HRT 2 (Public TV, second channel). CME-owned Nova TV, the first commercial station with national coverage/license in Croatia, is fourth. The radio stations most listened to by people age 20 to 65 are Narodni Radio, Otvoreni Radio, and HRT 1 Radio. Otvoreni Radio is the national

radio station most listened to by people age 20 to 50.

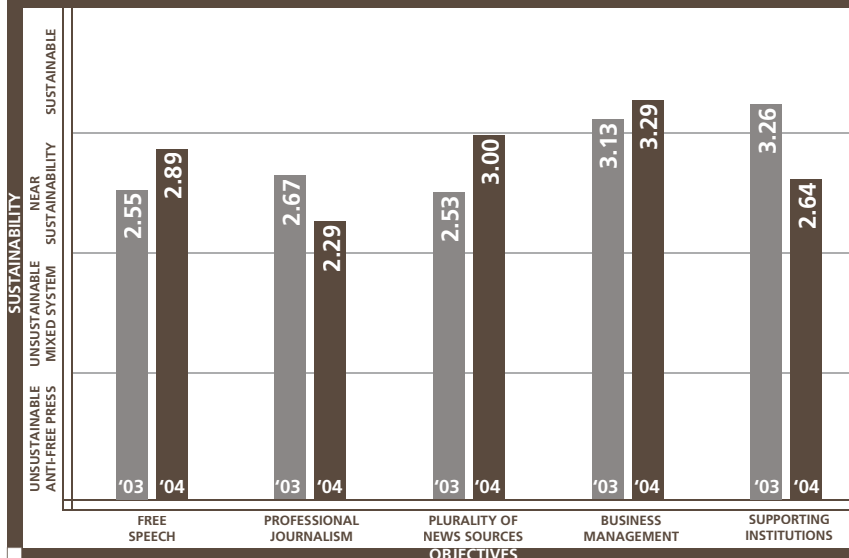
- **Number of print outlets, radio stations, television stations:** There are more than 900 different print titles (dailies, weeklies, biweeklies, monthlies, etc.). There are 13 daily newspapers and 46 weeklies. There are 131 licensed radio stations. Five radio stations have national coverage/license (HRT 1, HRT 2, Narodni Radio, Otvoreni Radio, Hrvatski katolicki Radio/Croatian Catholic Radio). There are three national television stations (HRT, HRTL, Nova TV) and four national channels (HRT 1, HRT 2, HRTL, Nova TV). Fifteen television stations operate at the local or county level. Cable television is provided by 21 licensed operators.

- **Annual advertising revenue in media sector:** Estimated at 2 billion kn (about US\$350,000,000). An estimated 60% of the advertising income goes to broadcasters; 40% goes to print outlets.

- **Number of Internet users:** About 40% of the population uses the Internet.

- **Names of news agencies:** HINA and STINA. IKA/Croatian Catholic News Service provides news only to Catholic media.

MEDIA SUSTAINABILITY INDEX: CROATIA



"THE SUSTAINABILITY OF THE MEDIA IS CONNECTED DIRECTLY WITH THE ECONOMIC DEVELOPMENT OF THE COUNTRY. CURRENTLY, THE ECONOMY IN KOSOVO IS NOT DOING VERY WELL, AND CONSEQUENTLY MEDIA ARE NOT SUSTAINABLE," SAID BLERIM KRASNIQI.



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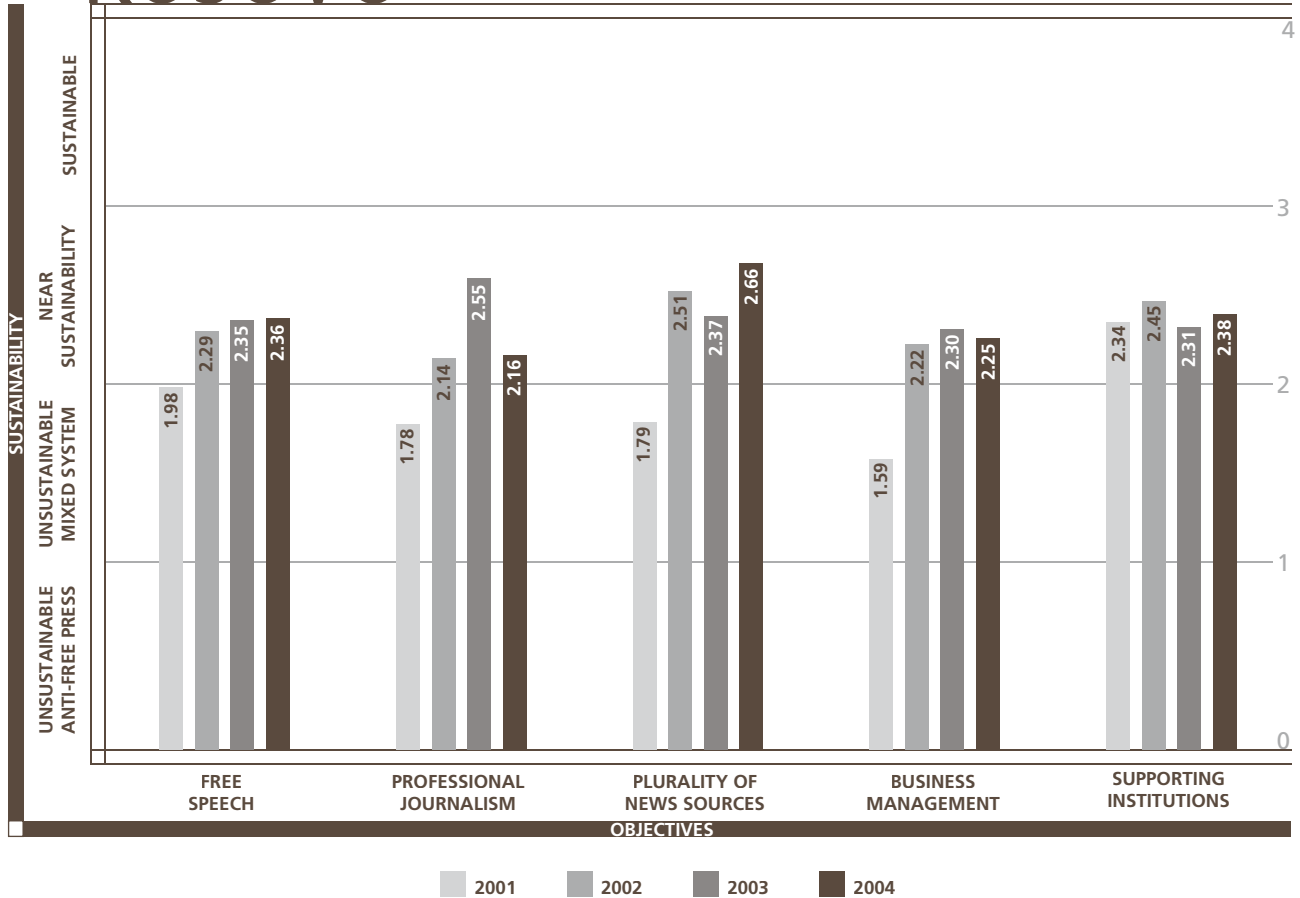
ore than five years after NATO troops entered Kosovo on June 12, 1999, ending a decade of oppressive rule by Yugoslav President Slobodan Milosevic, the territory remains under the administration of the United Nations Mission in Kosovo, directed by the Special Representative of the Secretary General (SRSG). After two municipal and two Kosovo-wide elections, some powers have transferred to the Kosovo Provisional Institutions of Government (PISG). But the SRSG still holds authority on vital issues such as external relations, the administration of public, state, and socially owned property and enterprises, protection of the rights of minorities, and security. Regulation of the media also continues to be overseen by the international community, with authority vested in the Temporary Media Commission (TMC) by the United Nations and the Organization for Security and Cooperation in Europe (OSCE). Long-awaited legislation replacing the TMC with a locally run Independent Media Commission inched forward during 2004. By early 2005 it had been approved in principle by the Kosovo National Assembly and was ready for an article-by-article discussion. If approved, the legislation would also require the signature of the SRSG before going into effect.

Kosovo, a region with approximately 2 million inhabitants, hosts one of the highest concentrations of media outlets in southeastern Europe. The media map includes three national television stations, 34 local television stations, four national radio stations, and 76 regional radio stations. The strongest media outlet in Kosovo is public broadcaster RTK, comprised of a national television station and two radio stations, Radio Blue Sky and Radio Kosova. In addition, seven daily newspapers and several magazines, all private, are published in Kosovo.

March 2004 saw the bloodiest day in Kosovo since NATO forces entered in 1999. The media were viewed as playing a role in fomenting the tensions that continue to divide the population, which is more than 90 percent ethnically Albanian and about 5 percent Serb, with the rest made up of other minorities. On March 16, three Albanian children drowned in a river near the ethnically divided town of Mitrovica in northern Kosovo. Initial media reports, particularly on television, said that the children had been

MEDIA SUSTAINABILITY INDEX

KOSOVO



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

threatened by Serbs from a nearby village whose dogs had so frightened them that they fled to the river, where they perished. Tensions heightened the next day when Albanian schoolchildren protested against the United Nations Interim Administration Mission in Kosovo (UNMIK), claiming not enough protection was being offered to Albanians in the village of Çabra, which is surrounded by Serbian villages and was destroyed during the war. After UNMIK intervened, protests grew in Mitrovica and other parts of Kosovo. In all, 19 people—nine Serbs and 11 Albanians—were killed. In the aftermath, the TMC critiqued the television coverage of the events as inaccurate, biased, and even irresponsible.

The Media Sustainability Index (MSI) panel concluded that the role of the international community in Kosovo continues to color all aspects of the environment for journalists, media businesses, free-speech advocates, and organizations working with newspapers and broadcasters. Although the panelists detected modest improvement in the availability of news sources and the supporting institutions for the media, there was some regression in the professionalism of the journalism practiced and the management of media businesses. The panelists predicted that the unresolved status of Kosovo and the strong role of non-Kosovar players would continue to impede any significant advances in the development of the media.

OBJECTIVE 1: FREE SPEECH

Kosovo Objective Score: 2.36 / 4.00

Freedom of speech is one of the main principles of Kosovo's Constitution. However, UNMIK views freedom of speech from a peacekeeping and security perspective rather than as a human-rights issue, particularly in cases of interethnic conflict, said MSI panelist Arben Qirezi, a media analyst. The distinction between freedom of speech and abusive conduct or hate speech is not clearly defined legally, and there is continuing conflict between some media and the TMC regarding this issue.

Panelists agreed that a proposed law establishing an independent media commission is badly needed, but progress has been blocked by politics. Critics blame the Kosovo government, led by the Partia Demokratike e Kosovës (PDK), for keeping it bottled up for more than a year and say that the OSCE and the PISG failed to cooperate with several attempts to pass the new law in 2003 and 2004. Creation of the new commission would cost the government and international community control of the media. However, MSI panelists agreed

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

that until such a body exists, media outlets in Kosovo will be unable to grow in a stable environment. Pristina University professor and media analyst Ibrahim Berisha observed that many issues regarding the media are still regulated by old Serbian laws approved during the Milosevic regime. As an example, Robert Gillette, the Temporary Media Commissioner, noted that although

“Many journalists and officials do not know this law [Freedom of Information Law] exists, and they do not know how to use it,” noted Ramush Tahiraj.

“serious people” are interested in developing digital broadcasting, there is no regulatory mechanism for moving forward and no inclination on the part of the SRSG to amend outdated existing statutes.

The broadcast licensing process is apolitical in the sense that it is regulated by the TMC, an institution established by OSCE. Local politicians cannot influence

decisions on who receives a license and who does not. Panel participants agreed, however, that Kosovo needs a law that will prevent media owners from obtaining multiple licenses and creating monopolies, and that there is no fair and competitive process for awarding licenses. Blerim Krasniqi, an advisor to the IREX media development program, noted that in the beginning the TMC office gave licenses to anybody who applied. These awards have never been reviewed, although many holders violate the licensing rules, including by renting out frequencies to other television companies and running pirated films. There was particular concern about national licenses because only three have been awarded, creating a lack of competition in this area.

Kosovo has a law protecting freedom of speech, and the panel agreed that Kosovar society regards the concept of freedom of speech as valued and correct. However, postwar tensions and political uncertainty have resulted in limited acceptance and understanding of the law, and violations of the right to freedom of speech cause very little, if any, public outcry.

The panelists felt that the government views and treats the media the same as other businesses, and media are not subject to any particular financial pressure. However, the taxation system does present a problem. Broadcast and print outlets must adhere to the same rules regarding the value-added tax (VAT) as any other enterprise. This has resulted in decreased revenue, already a major problem for the media sector. MSI panelist Robert Gillette said that Kosovar outlets pay possibly the highest rates in Europe—15 percent for print media, which is the same as for other goods in Kosovo—while in some European Union countries, print media pay 25 percent (or less) of the rate for other goods.

The question of journalists' safety was also raised, as several have been killed since the end of the war without police and prosecutors ever conducting sufficient investigations to determine if the attacks were related to their profession or to other factors. In September 2004, *Koha Ditore* journalist Fatmire Terdevci, the author of a number of investigative stories, was shot and wounded while riding in a car. The police have never established whether the attack was related to Ms. Terdevci's work, and no arrests have been made. Journalists also face frequent verbal threats, and panelists said that in some cases, political parties, government ministers, and businesses use these means to influence editorial policy and the work of editors and journalists. Journalists, aware of the danger of retribution, may retreat to self-censorship.

Journalists were under threat from law enforcement as well. After the March riots, police went to television

stations demanding tapes of edited and raw footage they intended to use to identify the organizers and participants. In at least one case, in which the chief editor refused to give up his tapes, a search warrant was issued and executed by international police. Journalists and technicians were then taken to police headquarters for questioning. Based on what police saw on the tapes, a number of people were later arrested. MSI panel members expressed concern that confiscation of the tapes and their use as a prosecutorial tool endangers journalists and news crews, destroying their credibility as unbiased observers and the protection that comes with that status.

The panelists also noted that journalists in Kosovo face assorted other challenges. For example, they work without insurance, and few have signed contracts with media owners. In many cases, the panelists said, media owners use journalists to suit their needs and do not allow them the opportunity to work on a professional basis. A legal framework for employment in Kosovo that would cover all workers was approved late in 2004, but its potential to protect journalists through labor law has not been tested.

The Access to Information Act lacks consistent implementation, and the panelists placed the responsibility for that on all government institutions from the prime minister's office to the ministries. Furthermore, the panelists found that UNMIK's governing style continues to be characterized by a lack of transparency and demands for confidentiality in almost all major issues of public interest. The panelists assessed limits on access to information as equal for all media, regardless of ownership, and said the motives for restricting access vary from political concerns to the personal relations and preferences of the officials involved. Ramush Tahiraj, an experienced journalist and media advisor to the Kosovo parliament speaker, said that although the Freedom of Information Law ensures there are no legal restrictions on access, "many journalists and officials do not know this law exists and they do not know how to use it."

Libel is a criminal offense due to the lack of a civil code in Kosovo, and panelists said this has a chilling effect on journalists and needs to be rectified. They also said the copyright law approved by the Assembly without public hearings needs to be revised due to a range of shortcomings, including vesting too much power in a single agency that would implement its provisions and failing to outline an arbitration mechanism to challenge this entity's decisions.

Although both public and independent media based in the capital city, Pristina, receive the same degree

of cooperation from government and international institutions, the situation is different in the regions, according to the panel. Regional media appear to be viewed as unimportant, and their access to key players and organizations is limited, the panelists said. In one 2004 case discussed by the panel, Kosovar-Albanian journalists in Mitrovica, the least stable region of Kosovo, were banned by UNMIK from its press conferences because they were considered to be asking “improper questions” about the mission’s relations with local residents.

There are no legal restrictions in using international information or Internet services. Satellite broadcasts are easily accessible by the public, and media have unrestricted access to international news. Still, the panelists found that few media outlets incorporate international stories in their news coverage. One panelist noted that the public broadcaster RTK receives six hours of edited news from the European Broadcasting Union, but only uses approximately three minutes on the main news bulletin.

Although no restrictions are imposed on entry to the journalism profession and the government does not award special privileges to specific media or journalists, participants observed that UNMIK indirectly restricts the work of journalists by issuing press cards only to those it considers to be bona-fide journalists. Without this credential, journalists can be prevented from working at any time by the police or military.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kosovo Objective Score: 2.16 / 4.00

The continued poor economy in Kosovo has an adverse effect on professional journalism, starving news organizations of the resources needed to do probing and comprehensive reporting. The panelists found that the media too often need to find the least expensive ways to produce news coverage, with journalists seeking the easiest and fastest way to cover stories. Very little investigative journalism, which requires time for research, is practiced in this environment.

Specifically, the panelists found that inadequate staffing in newsrooms creates additional deadline pressures. Journalists do not have time to cover a story from all angles using multiple sources of information, leading them to opt, for example, for producing coverage from a single news conference. A lack of relevant and reliable sources further complicates the situation.

Although Kosovo has a professional code of conduct under the TMC that covers the fundamentals of

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

responsible and professional reporting, most panelists expressed the opinion that it is frequently broken.

Widespread riots broke out in March after the broadcast news reports that claimed Serbs had chased Albanian children into a river near Mitrovica.

Subsequent assessments from OSCE and the TMC were critical of the television media, particularly public broadcaster RTK, for their inaccurate and even irresponsible reporting. The panelists agreed that

“The salaries of journalists in Kosovo can lead to corruption,” Leke Musolli said. “Because of this, donors should also concentrate on regional media more than they have in the past.”

many mistakes were made by all sectors of the media, especially the leading television stations, and that journalists tend to revert to their ethnic identities when it comes to reporting on issues involving Albanians and Serbs. The chairman of the Association of Professional Journalists of Kosovo (APJK), Naser Miftari, said this practice represents a significant problem and that journalists do not appear to know how rectify it. He noted that the same issue appears to challenge the media in Serbia.

Beyond the coverage of interethnic relations, however, the panelists felt journalists were working on an increasingly professional level in their reporting of other topics such as crime and politics. They did, however, note that political commentary continues to creep into reports provided by certain outlets associated with particular factions. And they said that there is a tendency toward sensationalism. *Koha Ditore* and *Zeri*, leading newspapers representing about half the national circulation, were evaluated as the most professional and least biased in the print sector.

One consequence of criticism of the media following the March riots was a greater sense of caution, according to the panel. Caught between local sentiments that the reporting was proper and the critique from the international community, some journalists seemed to have opted for self-censorship, particularly on issues regarding minorities.

Self-censorship can be economically motivated as well in Kosovo, the panelists said. Editors may prevent journalists from covering certain stories because they are sensitive to the interests of major advertisers. Cited as an example was the lack of probing reporting on the mobile telephone tender involving the company Mobikos, which is linked to powerful Serbian economic interests. Panel members felt that editors did not pursue the story aggressively because the company is a large advertising client. Another example of less-than-professional conduct motivated by economic self-interest mentioned by the panel concerned editors and owners of cash-strapped outlets accepting holiday trips from travel agencies in return for positive reports on the destinations. Finally, the panelists expressed concern that media employees received gifts in return for including businesses in news bulletins and other programs.

A crucial daily task for the media is determining the news agenda. The panelists felt that the Kosovar media applied the wrong criteria for choosing stories and that some decisions represented the political, economic, or personal interests of the media owners but not the information priorities of the public. As examples, the panelists said that in the party-supported *Bota Sot*, the activities of President Ibrahim Rugova have a home on the front page, and if there is a dedication of a war memorial, then RTK will make coverage a priority. Or, they said, if *Koha* Company owner Vetton Surroi made a statement about an issue, it would appear on the front page of his newspaper *Koha Ditore* and in the main headlines of his television station, KTV. The same practices also apply to Blerim Shala and his newspaper *Zëri*, and to RTK director Agim Zatriqi, the panel said.

On the issue of wages paid to journalists, panelists reported a significant discrepancy based primarily on location, with those in Pristina paid better than their counterparts in smaller communities. Journalists generally receive low salaries, and panelists agreed that some of the most skilled reporters and editors in Kosovo left the business because they could earn more money elsewhere. The panel felt that public broadcaster RTK paid the highest wages. An experienced journalist and radio-station owner noted that low pay can present serious ethical problems. "The salaries of journalists in Kosovo can lead to corruption," he said. "Because of this, donors should also concentrate on regional media more than they have in the past."

Panel members expressed concern that although journalists and other media professionals are poorly paid, the owners of media are comparatively very wealthy. Some media owners who five years ago had nothing now claim to be worth millions. Panelists said more transparency is needed, and that more of the return should be invested in journalists and other media outlet staff. Some also wondered how three or four media owners who enjoy relative wealth can continue to ask for donor money to support their operations, which were built from international assistance.

Media analyst Ibrahim Berisha told the panel that whereas broadcasters once tried to attract audiences through high-quality news programs so that professional people would watch them and businesses would buy advertising, the stations' priorities have changed. An example cited was the public broadcaster RTK's lengthy bingo broadcasts, now being copied by stations KTV and RTV 21.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kosovo Objective Score: 2.66 / 4.00

There is little to distinguish among the national news programs that appear on the three national television stations or even the coverage provided by regional television stations. Most news coverage on the private national stations (KTV and RTV 21) is Pristina based, with little information on what is happening in the rest of Kosovo. The coverage itself is heavily protocol news, with an emphasis on political visits, meetings, and announcements. The panelists felt the national stations focused on this type of coverage because it is relatively inexpensive. Regional stations cover much more national news than stories from their own communities or region.

IREX television advisor Blerim Krasniqi suggested there is something of an identity crisis at work in Kosovar

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

television news. "It seems that neither national nor local television stations understand their role," he said. "While the national television stations, which have a mandate to cover the whole country, act as local stations covering only the events occurring in the capital city, the local stations, instead of covering current affairs and other issues from their municipalities, focus on national stories."

Newspapers were credited with providing significantly more news from regions and municipalities. Reporting on social issues was frequent but superficial, panelists said, with one-source stories designed to evoke an emotional response rather than increase awareness or spur action.

Despite the poor economy, panelists agreed that most people can afford to buy newspapers since a single copy does not cost more than €0.30. However, mostly local papers are sold because there are few places where foreign publications are sold.

Virtually every household has a satellite dish and thus is able to watch international stations in addition to Kosovar channels. Yet nearly 30 percent of the population is unable to receive a terrestrial signal from the national television stations. The Kosovo Terrestrial Telecommunications Network (KTTN) does not have

adequate equipment to reach all the territories, particularly remote villages and those in the mountains. Cable television is in its infancy, and some systems operate illegally. Internet use still is primarily an urban activity, although there are no restrictions to access.

One panelist noted that since Kosovo has only one public broadcaster (RTK TV, Radio Kosova, and Radio Blue Sky), people have not been able to discern any political bias because they have nothing to compare it to. Overall, however, the panelists generally agreed that given the number of sources of information, people in Kosovo can check the accuracy of one report against another.

Two news agencies, KosovoPress and Kosova Information Center, were established by political parties. A third, KosovaLive, is independent, but panelists said it does not fulfill the needs of all its subscribers because it does not offer audio or video material. They also said KosovaLive functions too much like an office-hours-only bureaucracy and not enough like a news agency that responds to breaking developments.

Panel participants were confident that the public is aware of who owns the national television stations and some of the major newspapers. But panelists said that in other cases, such as with newspapers *Epoka e Re* and *Pavaresia*, ownership is not apparent to readers due to a lack of transparency.

Serbian-language newspapers are primarily produced in Belgrade and delivered only to Serb communities in Kosovo. US Agency for International Development (USAID) representative Argentina Grazhdani said that in Kosovo about 23 percent of all electronic media outlets belong to Serbs, most established by the Serbian government. Public broadcaster RTK offers television and radio programs in all minority languages (Serbian, Bosnian, Turkish, and Roma).

"It seems that neither national nor local television stations understand their role. While the national television stations, which have a mandate to cover the whole country, act as local stations covering only the events occurring in the capital city, the local stations, instead of covering current affairs and other issues from their municipalities, focus on national stories," explained Blerim Krasniqi.

OBJECTIVE 4: BUSINESS MANAGEMENT

Kosovo Objective Score: 2.25 / 4.00

A number of major media outlets reported substantial improvements in business performance during 2004. Temporary Media Commissioner Robert Gillette said that up to three of the seven daily newspapers

“There are no necessary databases developed by the agencies and media. Most of the services provided are ad hoc for a particular project,” said Genc Meraku.

“have achieved profitability and two Kosovo-wide broadcasters are either approaching profitability or have achieved it. The financial status of local broadcasters is

generally not known, although nearly all appear to be sustaining themselves with little or no donor support.”

Distribution of publications is considered free, fair, and efficient. APJK chairman Naser Miftari noted that the two main distributors—Rilindja, which has not yet been privatized, and Koha Ditore, which has—are considered successful. Private printing houses are also considered self-sustaining and professionally operated.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Advertising has become an important part of broadcasters’ efforts to become profitable, although not always through traditional methods. Many stations sell private greetings to individuals as well as traditional commercial advertising. But even though there are success stories, one panelist expressed the majority view that “the advertising market remains primitive and few media outlets use the services of advertising agencies.” The panelists also noted that direct donor support of media has become more limited and selective. While support to RTK, RTV 21, and KTV has been reduced, other broadcast outlets cannot secure donor funds, they said, and this division has reduced the ability of the smaller outlets to compete.

The panelists found that independent media outlets are moderately well-managed businesses but lack deep capacity, professionalism, and management skills. The advertising industry sector, both within agencies and the media outlets, lacks both sophistication and transparency. The stations regularly accuse agencies and their competitors’ marketing departments of selling commercial time below the accepted market rates.

As for the agencies themselves, the panelists found that some may use the “agency” moniker but in reality offer neither capacity nor professionalism. They have limited knowledge of the industry, and their managers do not understand fundamental marketing concepts. Genc Meraku, from the advertising agency CITY Group and American University in Kosovo, told the panel: “There are no necessary databases developed by the agencies and media. Most of the services provided are ad hoc for a particular project.” Because of Kosovo’s unresolved political status in relation to Serbia, Meraku said, advertising companies in Serbia, without having their businesses registered in Kosovo, can go directly to Kosovo television stations with ad sales. IREX media advisor Blerim Krasniqi agreed: “The sustainability of the media is connected directly with the economic development of the country. Currently, the economy in Kosovo is not doing very well, and consequently media are not sustainable.”

Private media in Kosovo do not receive government subsidies, although some outlets continue to receive donor support from nongovernmental organizations (NGOs). The KTTN, which is responsible for the transmission of all national radio and television signals, relies on donor support as a major source of income.

One commercial firm does conduct market research in Kosovo, but very few in media understand its value, buy the data, or use the information to tailor programming to meet advertisers’ needs. Almost no reliable data are available on newspaper circulation,

but numbers frequently mentioned indicate that none of the daily newspapers sell more than several thousand copies a day. Rudimentary data are available quarterly on audience ratings for the main broadcasters, but few of them use it effectively, panelists said.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kosovo Objective Score: 2.38 / 4.00

Trade associations are functioning in Kosovo, but the panelists believe they are not cohesive organizations that systematically protect and represent the interests of the media. Specifically, the panel found that the associations' advocacy skills are not sufficiently developed. For example, they noted that even three years since the initiation of a collective contract, the Independent Trade Unions of Kosovo could not persuade the government to implement it.

The panelists said associations offer limited services because their representatives do not have the knowledge or interest to engage in projects that would provide for their sustainability. Temporary Media Commissioner Robert Gillette observed: "An initial attempt to create a publishers association in 2003 appears not to have succeeded. AMPEK, the broadcasters association, is well-staffed and

active in lobbying to improve legislation that affects broadcasters. However, it has not held a membership or board meeting in nearly a year, and no active effort is apparent to expand the membership of AMPEK beyond the 30 or so stations that currently belong to it, or about one-fourth of all broadcasters."

Media advocacy activity in the NGO sector is limited, as is cooperation among the media associations and advocacy NGOs, panelists said. Human-rights organizations engage in sporadic advocacy on freedom of speech and access to information,

"[APJK's] activities have been limited mainly to pronouncements issued on various media issues publicized by its executive director. Membership services have not been apparent, thus making APJK appear static," explained Robert Gillette.

but these efforts appear to lack substance. The panel members said establishment of cooperative projects between media associations and NGOs is necessary to enhance the influence of both, and there also should be better cooperation between the trade-union and media associations.

Gillette also noted that only one of the three journalism associations established after 1999 still exists, APJK. He said that APJK's "activities have been limited mainly to pronouncements issued on various media issues publicized by its executive director. Membership services have not been apparent, thus making APJK appear static."

The numerous training opportunities provided during the past four years by international organizations have had "a positive effect, upgrading journalism skills in all types of media including online journalism, television, radio production, and print media," said independent media consultant Arben Qirezi. However, he said, other areas such as feature-story coverage and documentary production remain at a low level because of lack of training, and on-the-job experience remains the main source of professional development.

Short-term training programs are provided by IREX and OSCE. However, IREX training activities were sharply curtailed in 2004 because of a lack of funding. The panelists said that OSCE training programs are sporadic and that their long-term value has proven questionable.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

No university-level journalism training programs exist in Kosovo. The private Faik Konica School continues to operate a three-year course despite pressure from the Education Ministry, which contends the school does not have the competency to be licensed.

Panel Participants

Ibrahim Berisha, media analyst, university professor

Robert Gillette, Temporary Media Commissioner

Argentina Grazhdani, USAID

Lekë Musolli, experienced journalist, Radio Alba owner

Visar Hoti, Radio Tema

Blerim Krasniqi, IREX media advisor for television

Mustafa Eriq, OSCE media advisor

Naser Miftari, APJK chairman

Fatmire Tërrdevci, investigative journalist

Ramush Tahiri, Senior Media and Political Advisor to Kosovo Parliament Speaker

Arben Qirezi, independent media advisor

Genc Meraku, CITY Group advertising agency, university professor

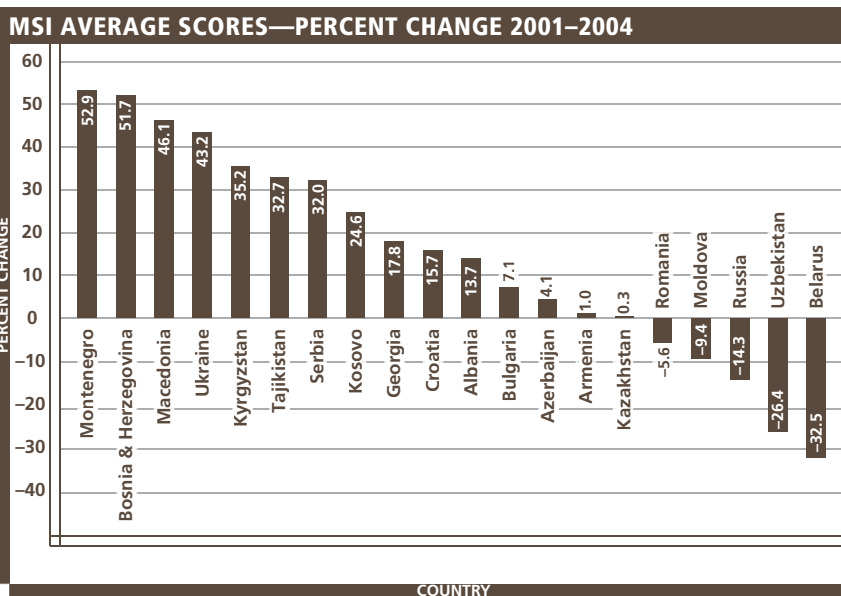
Moderator

Behar Zogiani, IREX Training Coordinator

KOSOVO AT A GLANCE

GENERAL

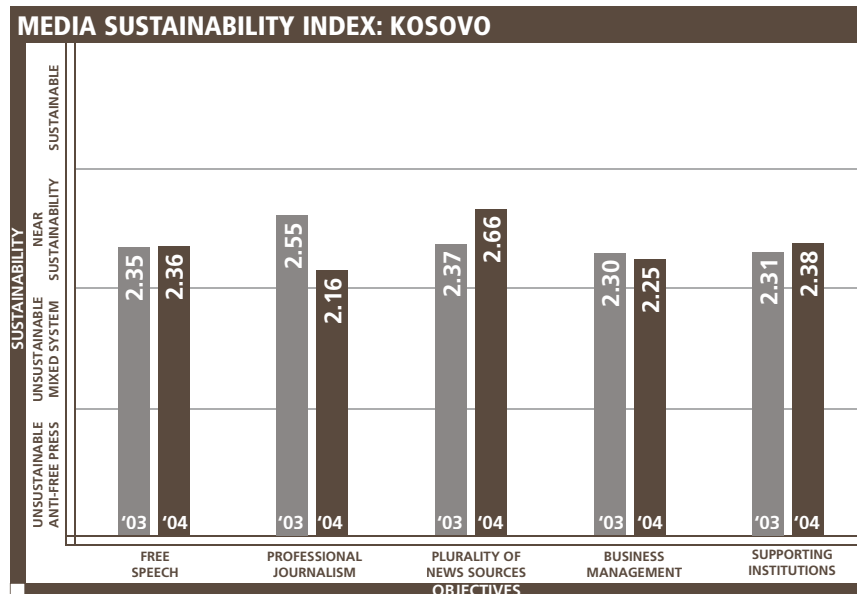
- **Population:** 1.9 million *UNMIK*
- **Capital city:** Pristina
- **Ethnic groups (% of population):** Albanians 88%, Serbs 6%, Muslim Slavs (Bosniaks, Gorani) 3%, Romas 2%, Turks 1% *UNMIK*
- **Religions (% of population):** Islam, Christianity
- **Languages (% of population):** Albanian, Serbian
- **GDP:** Projected 2,530 million euros *UNMIK*
- **GDP/GNI per capita:** US\$1,053 *GESource World Guide*
- **Literacy rate (% of population):** 93%
- **President or top authority:** President Ibrahim Rugova, Prime Minister Bajram Kosumi
- **Next scheduled elections:** Presidential 2005, parliamentary 2007



MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Circulation statistics are not available. Estimates place total circulation at 25,000 to 30,000 copies per day. *Koha Ditore* is the largest newspaper.
- **Broadcast ratings (top three ranked stations):** Television: RTK 29.1%; KTV 12.5%; TV21 51.2% (February 2005 weekly share of audience) Radio: Radio Dukagjini 10.3%; Radio Kosova 6.9%; Radio 21 0.8% (weekly share of audience) *Index-Kosovo first-quarter survey of 2005*

- **Number of print outlets, radio stations, television stations:** There are eight daily and two weekly newspapers. There are 22 television stations and 89 radio stations.
- **Annual advertising revenue in media sector:** NA
- **Number of Internet users:** According to Index-Kosovo research, 6% of households have Internet service; 6% of people claim daily Internet use, and 5% claim frequent use.
- **Names of news agencies:** *KosovaLive* is independently owned, *Kosovapress* is aligned with political party PDK, and QIK is aligned with political party LDK.



“WHY SHOULD THE MEDIA BE HOSTAGE TO THE COUNTRY’S POLITICS?” NOTED ACO KABRANOV.



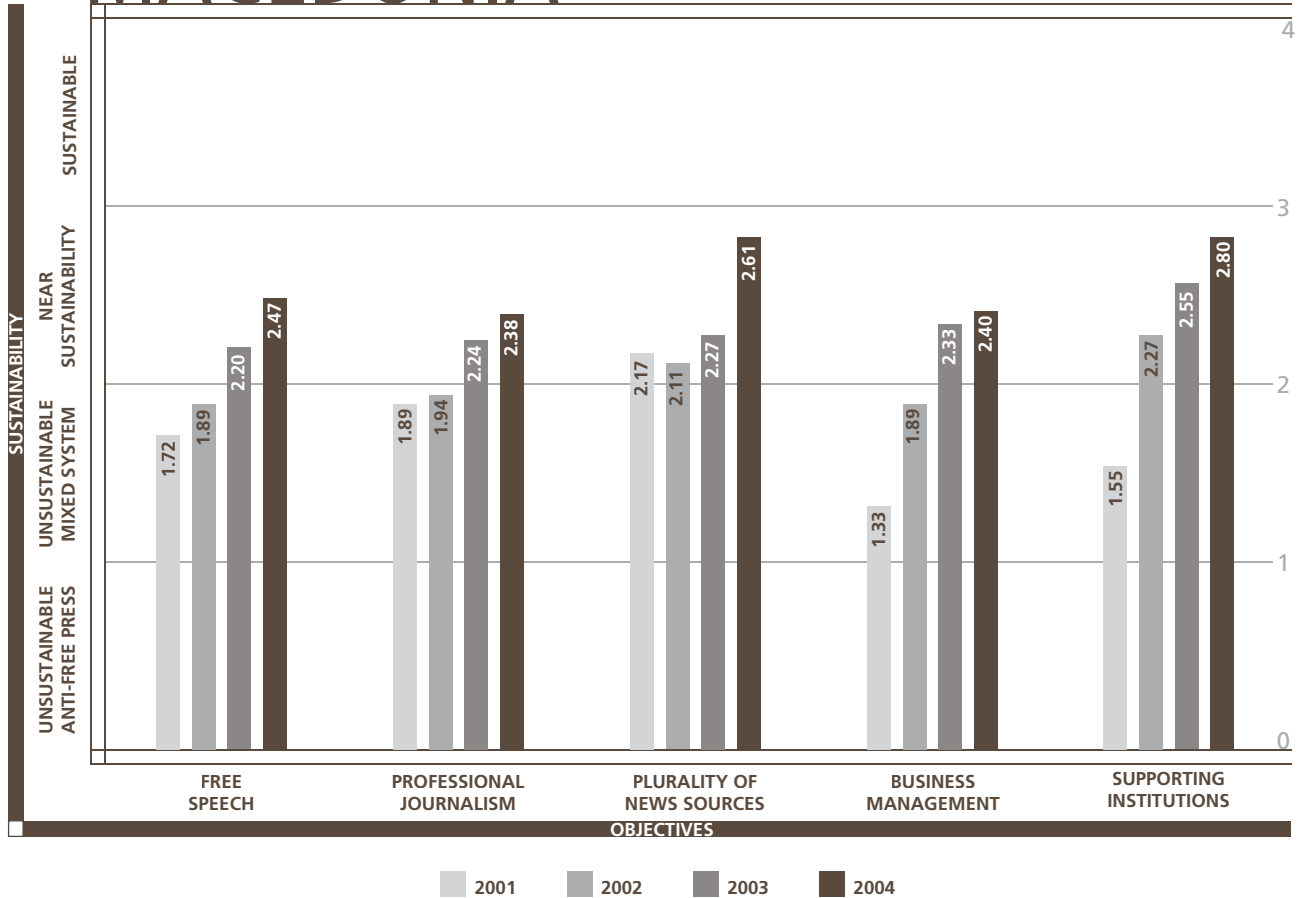
The year 2004 was one of upheaval for Macedonia. The shocking death of President Boris Trajkovski in a plane crash on February 26 caused political turmoil. Many were concerned that the country's stability would be jeopardized, but Macedonia came through the ordeal intact.

Following a state funeral, organized quickly and attended by leading international diplomats, presidential voting was held in two rounds on April 14 and April 28. Prime Minister Branko Crvenkovski was elected president, and Hari Kostov replaced him as prime minister of the Social Democratic Union of Macedonia coalition government. However, Kostov resigned five months later, and the parliamentary majority elected a new government led by Vlado Buckovski. Throughout the turbulent year, government struggled to pass essential laws in accord with the Framework Agreement of 2001 that officially ended Macedonia's brief internal conflict, and to continue the process of stabilization and harmonization with the European Union (EU).

The most important measures covered the territorial organization of local self-government for the country's 2 million people—64 percent ethnically Macedonian, 24 percent Albanian, and the rest Turks, Roma, Vlach, Serb, Bosniak, and other groups. The government's proposed solution included boundary changes to the ethnically mixed areas of the capital, Skopje, as well as Struga and Kicevo municipalities that gave the Albanian population a majority in some areas, including Struga, where that had not been the case previously. Where a minority population reaches 20 percent of the total in a municipality, its language becomes an official one along with Macedonian; therefore, the changes allowed for bilingualism in Macedonia's capital. More than 40 local referendums were organized against the draft law, with some Macedonians seeing the changes as an erosion of their culture and status. On November 7, a nationwide referendum was organized that threatened to derail the entire Framework Agreement. Again, many observers feared for the country's stability. However, the referendum failed because voter turnout fell below the necessary 50 percent plus one to give it legitimacy.

MEDIA SUSTAINABILITY INDEX

MACEDONIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The United States recognized Macedonia under its constitutional name just days before the referendum, viewed locally as a significant step. Also in 2004, Macedonia formally applied for EU membership and began efforts to answer the EU questionnaire required to allow the country to gain the status of "candidate country."

Macedonia maintains a small economy with a gross domestic product of \$4.5 billion, or about \$2,243 per capita. Macedonia's economic growth rate was expected to reach 4 percent in 2004. Unemployment remains crippling high, especially outside Skopje. The official figures are a staggering 37.7 percent of the workforce, about 322,000 people.¹ However, many employers prefer not to report their staff to the government in order to avoid paying social benefits and retirement benefits to the state. This greatly distorts the official figures, and the unemployment rate is thought by experts to be closer to 20 percent.

In the media sector, 2004 saw many changes. For example, new concessions for television and radio were awarded, and new newspapers were launched. In the broadcasting sector, three national and 21 local broadcasters joined the existing 126 concessionaires. Of the three new private national television concessions, one was for an Albanian-language broadcaster, TV AlSat-M (which by the end of 2004 was not yet broadcasting). Also awarded national concessions were the Macedonian-language Telma TV and Channel 5, which began broadcasting during 2004.

Although much criticized in some Macedonian media circles, the so-called print monopoly in which all three major Macedonian-language daily newspapers, *Utrinski Vesnik*, *Dnevnik*, and *Vest*, are owned by the German media giant WAZ did not deter new competition from entering the market. Two new Macedonian-language dailies, *Vreme* and *Vecer*, started in 2004. In the Albanian language, the daily *Flaka*, a one-time state-owned title, resumed publishing along with dailies *Koha Ditore* and *Bota Sot*, versions of Kosovo titles with a local production team producing about six insert pages of Macedonia news. However, *Bota Sot* and *Flaka* stopped publishing shortly before the end of 2004, and it is not clear whether they will restart.

Little changed in the public broadcasting sector, despite continued attempts to reform the state-owned Macedonian Radio Television. There were personnel reductions and restructuring, but major reform was on hold pending passage of a new Broadcast Law that would enshrine independent editorial and financial

¹ Macedonian Government: Statistics Agency, September 2004

control and remove those powers from the government.

Overall, the media situation was in satisfactory condition. Journalists enjoy constitutional guarantees of freedom of speech. There are no legal restrictions on access to public information, international news, or employment as a journalist. There is competition in the media market and open access to anyone who wants to set up a print media outlet. There is plurality and a wide range of sources of information. People in Macedonia have free access to international publications, broadcasts, and the Internet, aside from normal market and financial restrictions. The 2004 Media Sustainability Index (MSI) panel discussion noted some improvement, particularly in terms of increased plurality. Panelists agreed that there are no restrictions to access to domestic and international sources. The panel also said journalism practice had reached a generally higher professional level, even though self-censorship continued along with some overemphasis on politics and an absence of issue-based reporting on social and cultural concerns.

OBJECTIVE 1: FREE SPEECH

Macedonia Objective Score: 2.47 / 4.00

Article 16 of the Macedonian Constitution gives basic protection of freedom of speech. However, Macedonia lacks a law on access to information. There are no restrictions on accessing public information or international news, or on working as a journalist. Licensing and concessions for the electronic media are still susceptible to political influence, however, because recommendations of the Broadcast Council still must get parliament approval. Although 2004 saw a number of criminal charges brought against journalists, prosecution rarely resulted because of the ineptness of the judicial system. Macedonian Radio Television lacks full status as a public broadcaster because the law does not guarantee the independence of its editorial policies.

The panelists agreed that the constitutional guarantees for freedom of speech are insufficiently enforced. "A person who finds himself in a position where his right to free expression is denied cannot fight for that right in the courts," said Media Development Center director Roberto Belicanec. With no access to information law, there is no protection for officials who give out official information, and many resist doing so for fear of losing their jobs.

The panel insisted that media licenses are not managed without political influence. According to the present broadcasting law, the government makes the final

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

decision, and concessions received in this way always bring certain "obligations" to the benefactor, the panelists said.

However, they disagreed over the wisdom of the latest concessions awarded. For example, Aco Kabranov, editor-in-chief for Channel 5 TV, which won a national concession in 2004, said, "I do not accept the attitude

that we have too many media outlets, nor do I accept the defense that by awarding new concessions the marketing pie for the existing broadcasters will be reduced.

"A person who finds himself in a position where his right to free expression is denied cannot fight for that right in the courts," said Roberto Belicanec.

The media owners in the past 10 years took money from advertising, but they invested nothing in the development of the industry." He also rejected Roberto Belicanec's argument that it would have been better

to hold off on issuing licenses pending adoption of the new broadcasting law, which was expected to remove government's role in the process. But with passage uncertain, Kabranov said, "Why should the media be hostage to the country's politics?"

In Macedonia there are many court processes against journalists, most often for libel and defamation. The panelists agreed that journalists should be punished for violating professional standards, but the punishment should be based on legal regulations and fair legal procedures. Naser Selmani asked, "If I as a journalist am prosecuted for libel, will the holder of a public function also be criminally prosecuted if he refuses to release public information?"

In the past two years, many court procedures have been launched, but they were all left unfinished. According to Roberto Belicanec, the goals of those who sue are to ensure that their statements are made public and to discredit the journalists. However, Erol Rizaov, director of private daily *Utrinski Vesnik*, disagreed, arguing that unprofessional reporting deserved to be challenged in court. "According to what is reported by the newspapers lately, even more rigid punishments are needed," he said. "The articles which are based on speculation directly harm the media industry and are becoming more and more frequent."

Journalists have free access to events. However, this is not the same for the smaller media outlets. According to BTR TV editor Muhadzer Sulejman, his private Roma station in Skopje has difficulty obtaining information about important events and getting statements or interviews with officials from the executive and legislative government. There are no restrictions on access to international sources and news. However, subscriptions to cable networks, information agencies, and the Internet are beyond the means of the vast majority of individuals and businesses.

There has been considerable talk about regulatory reforms regarding Macedonian Radio Television (MRT), but with little effect. The panel said the main problem was that while the MRT leadership may take reforms seriously, the state will not. Every political party that comes into power exerts pressure on the state media. In addition, MRT has no internal regulation to ensure independence, and the newsrooms and editorial management generally remain partisan, with managers and staff having a choice of shifting their loyalty after each government change or losing their jobs. The problem stems in part from the fact that many who work at MRT have been there for two or more decades and are accustomed to a system of cronyism, self-censorship, and frequent opposition to reform.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Macedonia Objective Score: 2.38 / 4.00

The journalism market in Macedonia is highly competitive. However, there is still a lack of quality journalists. The MSI panel characterized journalism practice as often subjective, largely due to political influence or an interethnic lack of understanding and prejudice, and frequently mixed with commentary, especially in television news programs. According to Naser Selmani, "Journalists are subjective, and the citizens know this. So, as an ethnic Albanian journalist, I am going to report what the Albanians want to hear." At private media, owners use pressure and censorship to protect their interests. Public-sector journalists have the lowest salaries, while private-sector journalists have the greatest job insecurity because they lack employment contracts. Key events are generally well reported, but the media cover too many political topics.

Panelists criticized professionalism in reporting in Macedonia, saying news is not presented neutrally, there is no clear demarcation between facts and commentaries, and both sides of a story are rarely presented. Ljupco Zikov, director of the *Kapital* weekly, said that professionalism among the journalists appeared to have deteriorated during the past two to

three years. "The owners keep hold of their media in order to gain some political or economic benefits in the business they originally created. This is where the lack of professionalism of the journalists is coming from," he explained.

According to the panelists, there is significant self-censorship. Journalists, especially the local Albanian media, still are pressured and even threatened by political, business, and criminal forces. Editors also can and do censor information, especially at the smaller local media, where economic and political pressures are greater. "We are trying to be professional, but we air only the information that we know will not bring consequences," said BTR TV's Muhadzer Sulejman.

Panelists agreed that self-censorship at the state broadcaster, MRT, results from old habits still practiced by the staff. However, Aco Kabranov argued that private media are subject to greater pressure and that there is an even

greater lack of professionalism and censorship from the owners, perhaps in response to commercial pressures. Erol Rizaov suggested that this presents an opportunity for the state to develop the public media to reflect quality standards, which would then prod private media to improve.

In general, major events such as the death of President Trajkovski in February are well covered with no restrictions. Naser Selmani noted that MRT has not been able to create one common newsroom for all its language services, an inefficient system. "Macedonian, Albanian, Turkish, and Roma journalists all cover the same event," he said.

Panelists expressed concern that journalism in Macedonia is far too preoccupied with political topics. The economy, local events, and especially investigative journalism are seldom present. A1TV is consistently the top-rated station featuring the most watched and most influential evening news show. "We live in a political age, and we are all mostly interested in politics," said Erol Rizaov. "Entertainment and especially documentary programs are expensive. If a media outlet is really oriented toward such programs, public interest would drop, and the media outlet could not take this economic risk."

"The owners keep hold of their media in order to gain some political or economic benefits in the business they originally created. This is where the lack of professionalism of the journalists is coming from," noted Ljupco Zikov.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Journalists' salaries are dismally low, especially in the public sector, where salaries are roughly €200 per month. In the private sector, wages fall in the range of €150 to €400 per month. However, senior staff and editors at leading outlets may earn as much as €1,000 or more per month.

A poor supply of technical equipment, especially at television media, is a hindrance to quality programming, especially at local media, according to the panel. State-owned MRT was viewed as having the worst equipment, with poorly trained personnel who lack knowledge in modern digital technology.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Macedonia Objective Score: 2.61 / 4.00

Macedonia has a clear plurality of media with 171 broadcasters, including five private national television stations, three state television channels, three state radio channels, three private national radio stations, 10 serious daily newspapers, more than 60 magazines, and a growing cable network. The year 2004 also marked a significant improvement in the plurality of the Albanian-language media. A private Albanian

Multiple news sources provide citizens with reliable and objective news.

- PLURALITY OF NEWS SOURCES INDICATORS:**
- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
 - > Citizens' access to domestic or international media is not restricted.
 - > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
 - > Independent news agencies gather and distribute news for print and broadcast media.
 - > Independent broadcast media produce their own news programs.
 - > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
 - > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

television concession was awarded, and three more private Albanian-language daily newspapers entered the market, although two are not currently publishing for financial reasons. People have good access to international programs through rebroadcasts and satellite television and radio. Internet access, while restricted by individual economic constraints, is growing rapidly.

In terms of content and programming, however, the quality is too often poor and monotonous. News programs are of poor quality, lack planning, and are far too political in content. Many social groups are marginalized, including rural communities, minorities, and the handicapped. Important social and cultural issues are underreported or poorly reported.

The panelists were unanimous in their position that there are no restrictions on access to domestic and international sources in Macedonia. Cable operators offer rich and diverse programs, citizens can buy foreign newspapers, and anyone who can pay can get an Internet connection. However, the quality of Macedonia-made programming was judged as seriously lacking. The panel agreed that the state broadcaster at least tried, albeit not entirely successfully, to cover a broad spectrum of topics and to report on events in a fair and balanced manner across the range of its programs. Macedonia's state-owned local broadcasters are no longer supported to the extent they once were, and those outlets have all but lost their significance and influence. Two news agencies, one the private Makfax and the other state-owned MIA, struggle in the weak financial market.

Independent program production in Macedonia is limited in quantity and quality. "Apart from news programs, there is very little independent programming," said Roberto Belicanec. He particularly cited the state broadcaster, which receives funds specifically for independent program production but produces far too little.

International donors have supported the production of a number of high-quality programs on diverse topics. However, these are primarily short-term projects, and the panel again noted that media are addicted to political subjects. As Ljupco Zikov explained, "In newspapers, the most read pages are those focused on politics. This is not inspired only by the media, but also by the government. Politics dictate the agenda, and it is followed both by the opposition and the media. With the television news at 17:00, 18:00, 18:30, 19:00, and 20:00, the media become de facto players in the political game."

The particularly poor Albanian-language programming is leading that population to turn increasingly toward television programs aired from Kosovo and Albania, which are perceived to be of much better quality.

"This will boomerang because public opinion, or part of the public opinion in Macedonia, will be shaped by someone outside of Macedonia, and we are not doing anything to change this," said Naser Selmani.

The panel agreed that social topics are largely neglected. "When it comes to the Roma people, it is always events related to criminal activities that are covered, but never topics concerning their everyday life, culture, and society," noted Muhadzer Sulejman. According to Naser Selmani, "The media still function in parallel universes. They are satisfied with themselves and closed within their own ethnic spaces, which certainly does not enhance democratic values in society." On the other hand, according to Roberto Belicanec, the country has enabled the creation of media outlets for specific, "marginalized" groups such as the Roma, and "this means that they are not left on their own."

Panelists expressed the view that social-issue coverage cannot be seen only from an ethnic point of view because most of the Macedonian population is ignored by the media. Also, the thinking of common citizens is unknown because of the media's focus on politicians and experts, with the occasional economic story. Eleonora Serafimovska, from the Institute for Sociological, Political, Juridical and Legal Research, mentioned that the print media offer somewhat greater diversity in coverage than the broadcast media's mix of political and entertainment programs. "Social topics are superficially covered within the information programs, and for these we need to have special programs," she said.

The panelists agreed that both the broadcast and the print media are extremely nontransparent in terms of ownership. No one knows the ownership structures. Roberto Belicanec highlighted the problem of the concentration of several business conglomerates in the press. As an example, he referred to the domination of large business entities like Makpetrol on Telma TV, or Sileks on Sitel TV. He said this influence, which is not overt but generally known, jeopardizes free speech.

OBJECTIVE 4: BUSINESS MANAGEMENT

Macedonia Objective Score: 2.40 / 4.00

Macedonia has too many media outlets for the size of its media market, and this number has continued to increase since the conflict of 2001. International investment is low in the media as well, and the state has ceased directly subsidizing the print media. The broadcasting tax, used to subsidize the state (and some private media via a special media fund), is gathered from only 50 to 60 percent of the population due to inefficiency in collection and the efforts of citizens to avoid paying.

The private media mainly survive on advertising revenue. But as the number of broadcasters and major newspapers has increased, the economy has remained stagnant, making it even more difficult for private media to survive. The year 2004 was also the first during which the state did not provide direct subsidies to the print media. The state-owned MIA news agency was allocated about €230,000 for 2004, with the government rationalizing this expenditure as covering the costs of providing information to government institutions.

The panel criticized the government's decision to cut subsidies to the newspapers. Panelists mentioned that small publications, particularly those covering minority issues, suffered the most. The panel recommended

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

following the example of many European countries that support specialized media through dedicated funds.

Media are ranked by advertising companies, with ad prices set accordingly and ad revenues increasingly linked to ratings success. Advertising companies are profitable despite the weak market, but panelists claimed there was a lack of transparency. Although there is considerable discussion in the media community about various advertising deals, the panelists said, the ad revenues that the media are earning are not known "publicly."

Estimates of the size of the advertising market cover a range, but Analytica/Media & Advertising in Skopje put it at about €68 million, including the value of barter arrangements. Of that, revenue from television ads represented €53 million, and revenue from print media

ads was just over €7 million. Radio received €3 million, and outdoor €4.7 million, according to the company's figures.

For several years now, marketing surveys have been

conducted in Macedonia. The leading organizations are BRIMA Gallup and the Strategic Marketing and Media Research Institute. The broadcast surveys are increasingly reliable. IREX, in partnership with the Association of Private Electronic Media of Macedonia and the Association of Journalists of Macedonia, conducted several surveys that provided ratings to the broadcast and print media during the past four years. However, panelists claimed that despite extensive training, the media still do not use the data with any sophistication to improve their programming and marketing. According to Roberto Belicanec, the explanation "is in the fact that many owners have opened media outlets not in order to make profits from the media, but to use media in order to achieve other personal and business goals." Were that not the case, Belicanec said, "They would have learned to use research data by now."

"...many owners have opened media outlets not in order to make profits from the media, but to use media in order to achieve other personal and business goals," noted Roberto Belicanec.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Macedonia Objective Score: 2.80 / 4.00

In Macedonia, there are numerous institutions that support various aspects of the media. Both the print and the electronic media have representative associations and organizations. The national Journalists Association has six regional centers. The panel agreed that associations cooperate well. However, panelists said the Association of Journalists of Macedonia (AJM) is losing influence, and its Council of Honor, a self-regulatory body for the media, is inactive. Journalists working at AJM do so almost entirely on a voluntary basis, and there is a need for paid full-time staff to move the organization forward, the panelists said. They also agreed that an effective journalists' union is still lacking in Macedonia.

Journalism education at the university level remains weak and largely theoretical. The panel agreed that the existing journalism studies program at the Faculty of Law at St. Cyril and Methodius University in Skopje are out of date. According to the panelists, it is scandalous that graduates from the faculty of journalism have never been in front of a camera.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

A new professional journalism school opened at the Macedonian Institute for the Media in 2004. Its one-year journalism “diploma” program is a modern and practical multimedia training regime set up and supported by IREX in conjunction with the Danish School of Journalism. According to Eleonora Serafimovska, this represented significant progress. “This project deserves to be supported...(although) the results are yet to be seen,” she said. “Still, in general, I do not see any progress. What should be basic skills in journalism are still not present in the media. For example, the use of sources and presenting both sides of a story are missing.”

Although a satisfactory level of professionalism may not yet have been achieved, there have been significant improvements in the quality and number of training programs for the practicing media. However, training for camera operators and producers in business journalism, for the Albanian media, and for the media of Macedonia’s other ethnic communities is greatly needed, panelists said.

Macedonia has several private printing houses that operate effectively and without pressure from the state. Distribution is also in private hands and generally unrestricted. For example, the distribution services of the WAZ group are open to the rival dailies *Vreme* and *Vecer*.

Panel Participants

Aco Kabranov, journalist, editor-in-chief at Channel 5 TV (private national Macedonian-language broadcaster)

Ljupco Zikov, journalist, director, *Kapital* (weekly Macedonian-language business and political-affairs magazine)

Eleonora Serafimovska, psychologist, assistant at the Institute for Sociological, Political, Juridical and Legal Research

Muhadzer Sulejman, editor, BTR TV (Roma-language television station based in Skopje)

Erol Rizaov, editor-in-chief, *Utrinski Vesnik* (Macedonian-language daily newspaper; part of the WAZ group)

Naser Selmani, journalist, *Vest* (Macedonian-language daily newspaper; part of the WAZ group)

Sarah Broughton, OSCE Media Development Officer, Macedonia

Arben Ratkoceri, journalist, TV AlSat-M (private national concessionary; Albanian-language broadcaster)

Roberto Belicanec, director, Media Development Center (local NGO specializing in media law); chairman, Stability Pact Working Group for Macedonia

Moderator

Vesna Sopar, Institute for Sociological, Political, Juridical and Legal Research

Observers

Melita Cokrevska, USAID

Gazmend Ajdini, IREX ProMedia

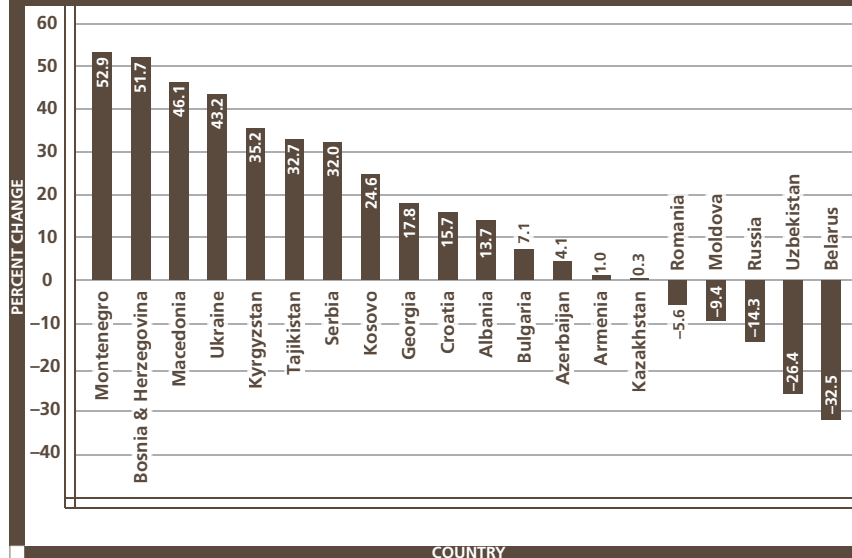
Vesna Nikodinovska, IREX ProMedia

MACEDONIA AT A GLANCE

GENERAL

- **Population:** 2,022,547 *Statistics Bureau, Census 2002*
- **Capital city:** Skopje
- **Ethnic groups** (% of population): Macedonians 64.18%, Albanians 25.17%, Turks 3.85%, Romas 2.66%, Serbs 1.77%, Boshnjaks 0.84%, other 1.97% *Statistics Bureau, Census 2002*
- **Religions** (% of population): Macedonian Orthodox 64.78%, Muslim 33.33%, other 1.9% *Statistics Bureau, Census 2002*
- **Languages** (% of population): Macedonian 66.5%, Albanian 25%, Turkish 3.5%, Serbo-Croatian 1.2%, Roma 1.9%, other 1.9% *Statistics Bureau, Census 2002*
- **GDP:** US\$4,546 million; GDP per capita: US\$2,243 in 2003 *Statistics Bureau*
- **GNI:** 241,939 million Denars in 2002 (or about US\$5,150 million) *Statistics Bureau* (No data for 2003 and 2004)
- **Literacy rate** (% of population): 96.38% *Statistics Bureau, Census 2002*
- **President or top authority:** President Branko Crvenkovski
- **Next scheduled elections:** Parliamentary 2006

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** The largest daily according to circulation is *Dnevnik*, with an average of 60,000 to 65,000 copies. *Media Print Macedonia*
- **Broadcast ratings (top three ranked stations):** According to an IREX-funded BRIMA-Gallup survey in September 2004, the most-viewed television stations are A1, Sitel, MTV 1, and MTV 3. The radio stations most listened to are Antenna 5, Macedonian Radio (first program), Radio Haracina

(local radio in Skopje region), and Channel 77.

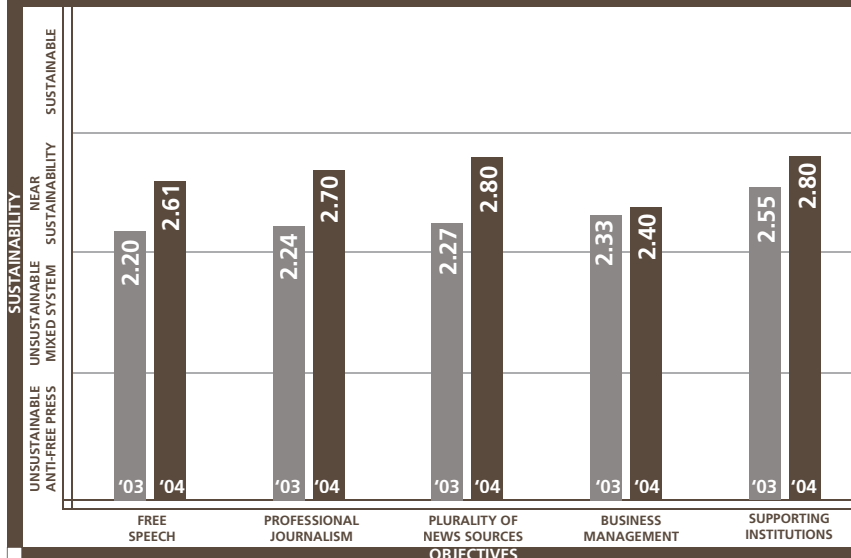
- **Number of print outlets, radio stations, television stations:** 600 (est.) daily, weekly, biweekly, monthly, and periodical editions. *Agency for Information*. There are a total of 170 radio and television stations. Macedonian Television has three public channels, and Macedonian Radio has three channels as well as 29 local radio stations. In the private sector, there are five national television stations (A1, Sitel, Channel 5, Telma, and AlSat M) and three radio stations (Channel 77, Antenna 5, and Radio Ros), while there are 54 local television stations and 73 radio stations. *Broadcasting Council*

- **Annual advertising revenue in media sector:** NA

- **Number of Internet users:** The number of Internet lines is 3% to 5% of the total population, or about 100,000. *MT Net*. There are 61,169 Internet lines in Macedonia. *Statistics Bureau*

- **Names of news agencies:** Makfax is privately owned, and MIA is state-owned.

MEDIA SUSTAINABILITY INDEX: MACEDONIA



AFTER SEVERAL YEARS ABSENT OF TRAGIC EVENTS, THE MONTENEGRIN MEDIA COMMUNITY WAS SHAKEN BY THE UNSOLVED MURDER OF THE EDITOR-IN-CHIEF OF THE INDEPENDENT DAILY *DAN*, DUSKO JOVANOVIĆ, WHO WAS SEEN AS A LEADING REPRESENTATIVE OF OPPOSITION THINKING. THIS CASE SIGNIFICANTLY TAINTED PROGRESS TOWARD THE SUSTAINABILITY OF INDEPENDENT MEDIA DURING THE YEAR.





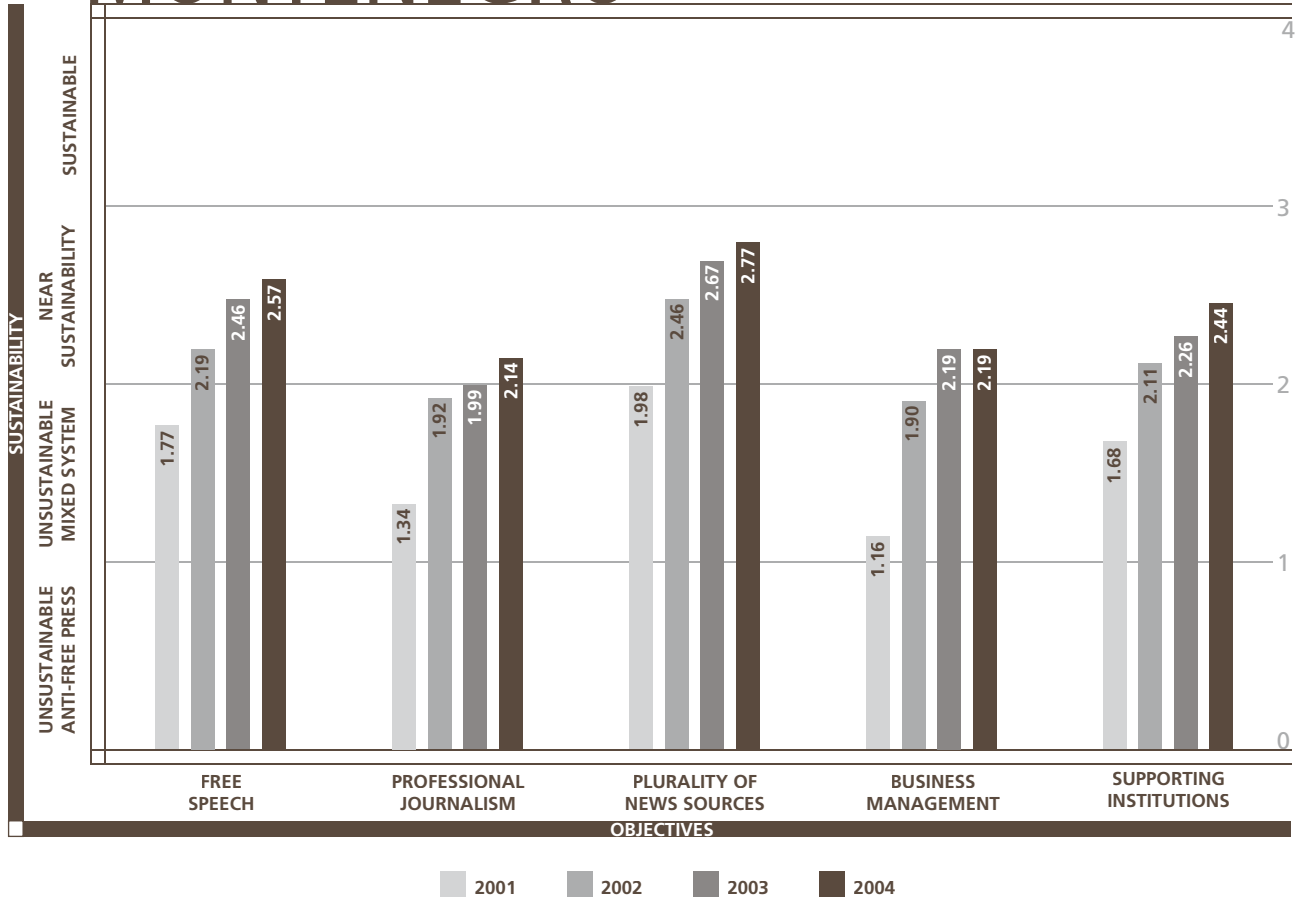
The political situation in Montenegro was largely stable during 2004, despite occasional squabbles within the ruling coalition. After an 18-month boycott, the opposition returned to parliament under a deal brokered by the Organization for Security and Cooperation in Europe (OSCE) that required the public-service broadcaster RTCG to resume full live coverage of all sessions of the assembly, regardless of their news value. Economic and social problems continued, however. Some positive macroeconomic indicators—3 percent growth in gross domestic product (GDP), an inflation rate below 3 percent, a sustainable budget deficit, a revitalized banking sector, and growth in the legally employed workforce and in foreign investments—could not hide a low standard of living. These economic ills, such as insolvency, low wages, debt, weak consumer buying power, and underdeveloped markets, also adversely affected the economic sustainability of most of Montenegro’s media outlets.

More positively, Montenegro’s nongovernmental organizations (NGOs) significantly advanced their role in the development of democracy and civil society in 2004. The NGOs built public support through activities ranging from critiquing government policies to cooperating well with state institutions. The NGOs facilitated robust public debate and transparency about a myriad of reform issues such as privatization, political reform, environmental protection, and so on. The 2004 Media Sustainability Index (MSI) panelists noted the high level of cooperation between the NGOs and the media, which cooperate closely with civil-society support networks such as “Action” and report frequently on NGO activities.

The painfully slow transformation of the public broadcaster RTCG continued to lag because of problems implementing the new laws, budget problems, the evident professional achievements of private-sector media, and delay of government action on a Freedom of Information Act. After several years absent of tragic events, the Montenegrin media community was shaken by the unsolved murder of the editor-in-chief of the independent daily *DAN*, Dusko Jovanovic, who was seen as a leading representative of opposition thinking. This case significantly tainted progress toward the sustainability of independent media during the year, influencing specific issues that concern the freedom of press and the entire climate in which Montenegrin media operate.

MEDIA SUSTAINABILITY INDEX

MONTENEGRO



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREE SPEECH

Montenegro Objective Score: 2.57 / 4.00

Most MSI panelists positively evaluated the existing media regulations but pointed out that there were numerous problems concerning effective implementation. The implementation of relatively new provisions is being carried far too slowly and requires stronger reinforcement from the media community. While the existing legal framework protects freedom of speech and encourages freedom of the press, there is a discrepancy between normative regulation and reality. Progress on the legal framework is indisputable; the panelists focused mostly on problems arising from how the laws are put into practice.

Dispute surrounds the implementation of the Broadcasting Law, especially regarding the inequality of allocation of funds to private broadcasters versus those to state-controlled media. The controversy started when the commercial broadcasters rejected the criteria put forward by the independent Broadcasting

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Agency (BA) on how to distribute a proportion of the RTCG subscription fee that would be distributed to them for development purposes, as stipulated by the Broadcasting Law. "From experience obtained in a private radio station, I do know how financially fruitless and difficult dealing with investigative journalism is," said panelist Darko Sukovic, editor-in-chief of Radio Antenna M. "We succeeded

"From experience obtained in a private radio station, I do know how financially fruitless and difficult dealing with investigative journalism is," said panelist Darko Sukovic, editor-in-chief of Radio Antenna M.

in our efforts to tackle particular stories and even to halt some dangerous processes, but it required a lot of work and time. However, when we received funds for our part in the program collected through RTV subscriptions, we were very disappointed because our approach to the job was not properly valued since the criteria were based on territorial signal coverage."

The importance of the BA's status was emphasized by the December 2004 announcement of Montenegro's first free and fair frequencies tender, which will have a significant impact on the democratization, as well as the quality, within the media field. "Because of the importance of the tender for frequency allocation, international organizations will observe the process to determine if it is fair or not," said panel member Ranko Vujovic, coordinator of the Union of Independent Electronic Media of Montenegro. "This is the first time that we

"This is the first time that we will have transparent allocation of frequencies, and it will not be the government that decides on allocation of frequencies but rather the Broadcasting Council, composed of representatives of civil society. It will be interesting to see how everything will be carried out," noted Ranko Vujovic.

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A serious problem also exists with the fair implementation of the libel statutes in the new criminal code. The burden of proof lies with the defendant, rather than the prosecution, and the statutes are too frequently used to put journalists in difficult positions, highlighting the lingering inadequacies of the Montenegrin judiciary system, the panelists said.

The lack of a Freedom of Information Law, noted as well during the 2003 MSI, continues to represent a significant flaw in the media-related legal framework. Adoption failed once again during 2004. MSI participants said that although the drafting of a proposed law was given significant assistance by media associations, it stalled because the government argued

that exemptions from information disclosure had to be broadened.

The May 2004 murder of the editor-in-chief of the daily *DAN*, Dusko Jovanovic, drastically discredited efforts to develop a

“The murder of Dusko Jovanovic was the worst event this year for Montenegrin media and tainted everything we achieved,” said Ranko Vujovic.

democratized and civilized media environment. The editor was outside his office when he was shot from inside a moving car. He died a few hours later in the hospital. No one has been charged with committing the killing, although Damir Mandic, a business figure, has been indicted for alleged involvement in the case. Jovanovic’s lawyers have criticized the authorities for dragging their feet on a full investigation and withholding forensic information. However, for the first time, the media community demonstrated unshakeable solidarity in condemning the murder and pressuring for a conclusive probe. Panelists said the prosecution of the case and its outcome will be a decisive indicator for the development of an independent media system in Montenegro. “The murder of Dusko Jovanovic was the worst event this year for Montenegrin media and tainted everything we achieved,” said Vujovic.

In terms of commercial law, panel participants emphasized changes, such as the Law on Social Insurance, that exacerbate the financial situation of journalists and the liquidity of media companies. However, panelists noted that this is not a situation specifically discriminating against the media industry, but rather concerns overall tax policy, which affects all Montenegrin companies.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Montenegro Objective Score: 2.14 / 4.00

Panelists unanimously concluded that Montenegrin journalism has not achieved an acceptable level of professionalism, nor are media professionals willing to adhere to an ethics code. Outlets still tend to focus on short-term profit-making through any route, with long-term investment in quality backed by professional practices taking a back seat. MSI panelists highlighted problems related to the activities of the Journalism Self-Regulatory Body, which was set up in 2003 by media associations to monitor professional standards agreed to in 2003 and represented a victory for self-regulation accepted by the state. However, the MSI panelists concluded that the regulatory body’s work did not meet the goals of the media organizations and recommended that the approach be modified. Within the media community, there was a sense that the work of the panel had too little impact and was not sufficiently supported by media companies. There were suggestions, too, that an advisory council be assembled to help the panel’s executive. Some also called for changes in personnel. “The one positive aspect is that we recognized our mistakes, know what we need to do, and know that the media will be involved in the whole process,” said Senko Cabarkapa, president of the Journalism Self-Regulatory Body.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Biased reporting, politicization of news and information, and failure to use multiple sources all are hindering the improvement of Montenegro's media professionalism. However, there were encouraging examples of investigative and objective journalism produced by private media. Examples include the coverage of privatization and of ecological issues such as the controversial planned construction of the Tara dam. RTCG's coverage of this case and other reporting successes, including parliamentary coverage and a Montenegro Airlines accident, illustrated the advancement of editorial policy at the broadcaster.

The unenviable financial situation of the journalists also is an obstacle in the development of professional journalism, reflected in poor-quality standards and low morale. Wages averaging \$300 per month create an additional problem for media trying to develop in-house productions or investigative projects that require sustained and skilled staffing.

In regard to the creation of an editorial policy, some private broadcasters opt for cheap entertainment programming, further reducing resources directed to informational and cultural programming. Panelists stressed that good-quality journalism, the constant improvement of informational and educational programs, and a reduction in low-quality entertainment programming were crucial for the development of professional editorial policies and standards. "The disproportion between educational and entertainment programming is striking," said Vojo Raonic, director of the Montenegrin Media Institute (MMI). "This should be quickly changed. As soon as we pass the Law on the Protection of Copyrights, the situation will be drastically different because media will no longer be allowed to broadcast pirated movies, music, etc."

The panel members also highlighted the need for improved journalism education and overall modernization of their profession. The media sector will be boosted by the first generation of students who will obtain their undergraduate degrees in journalism from the Department of Media Studies at the Law School in Podgorica. Programs offered by the MMI, which contributes to the education and training of beginning and experienced journalists, will also help. Finally, panelists felt that Montenegrin journalists should strive to ensure their own professional development as a basic precondition for building a reputable and credible media community.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Montenegro Objective Score: 2.77 / 4.00

MSI panelists unanimously agreed that the quantity of media in Montenegro, with a population of 620,000, is unsustainable. The myriad of electronic and print media do not necessarily equate to a diversity of information available to the public. A great number of outlets use the same agency source while their own networks of correspondents are undeveloped. The abundance of media can directly influence the reliability and objectivity of information

"The sheer fact that the members of the Managing Board are not representatives of political parties, as they used to be, but professionals, resulted in higher-quality productions," said Vojo Raonic of the Montenegrin Media Institute.

because in a highly competitive sector, outlets often resort to publishing scandal and sensationalism. However, since the Montenegrin media market is

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

small, the number of media outlets will naturally decrease. Electronic media in particular will be forced to restructure their businesses or merge if they want to avoid bankruptcy. The number of existing media outlets can be reduced to a sustainable commercial level without jeopardizing the range of news sources available to the people.

Access to domestic and international media are not limited by the government, but rather by the poor financial situation of citizens. This particularly affects the number of copies sold by daily and weekly newspapers and magazines, as well as Internet usage. Currently, some 12 percent of the population regularly uses the Internet, according to industry estimates. The introduction of installment-payment systems for selling computers could make them affordable to more average Montenegrins. Although there are two Internet providers in Montenegro, prices are still high, with the monthly fee for a dedicated line costing more than \$400. There are not yet many Internet cafés, but Montenegrin post offices in larger cities offer Internet access.

MSI panelists noted that the media had made progress in reflecting the views of the full political spectrum, although this has brought about another phenomenon: reducing journalism to a series of statements from all relevant political forces without probing issues in depth.

The panelists also pointed out that the private news agency MINA is increasingly trusted by the domestic media and other users of its services. These positive reviews reflect the agency's improved service. MINA successfully made up for gaps in content experienced by some print and electronic media by offering a variety of additional services, including tailored packages for broadcasters, reports from correspondents in Brussels and Belgrade, and business coverage widely agreed to be excellent.

Most broadcasters have their own newscasts. However, only a few provide original coverage produced by their own staffs. Most rely on agency-produced materials, and, as a result, many media outlets provide views with much the same material.

Despite evident problems with its internal transformation, the public broadcaster RTCG effectively eliminated political pressure. "The sheer fact that the members of the Managing Board are not representatives of political parties, as they used to be, but professionals, resulted in higher-quality productions," said Vojo Raonic of the Montenegrin Media Institute. This progress occurred despite a deal brokered by the OSCE that reestablished live television broadcasts of parliamentary sessions, without regard to

the importance of the issue under discussion. This was done in a bid to appease the political opposition, which had boycotted parliament for 18 months, claiming they had been robbed of a public forum when the live broadcasts were eliminated. RTCG had cut this coverage when the new public broadcasting law cancelled RTCG's third channel, which it had used for parliament broadcasts. The OSCE stepped in, offering to organize donor support for RTCG, and the broadcasting of all Assembly sessions in full resumed. Some in the media community saw the public broadcaster's editorial independence in editorial decision-making as collateral damage from the political deal.

Panelists said that media transparency had moved forward significantly during 2004 with the publication of a book by the MMI that detailed media ownership and disclosed a number of cross-ownerships but failed to find suspected political ties. At the same time, the existing ownership structure and potential future commercial relations within the media community emphasized the necessity of passing a Law on Regulating the Concentration of Media Ownership. Despite the acquisition of the daily *Publika* by a foreign investor, the panelists consider the overall lack of substantial foreign investments in media to be worrying. Full development of the media sector is not possible without foreign capital investments, they said. So far, only the daily *Vijesti* has attracted substantial investment—from the German WAZ media group. Possible further acquisitions by WAZ, however, might be thwarted by an antimonopoly law.

Panel members said there was consistent progress in covering minority communities, both because the number of outlets broadcasting in minority languages is growing and because more space is being dedicated to reporting on minority issues

OBJECTIVE 4: BUSINESS MANAGEMENT

Montenegro Objective Score: 2.19 / 4.00

The business-management problems experienced by Montenegro's media companies remained largely unsolved in 2004. The panelists believed that the media business in Montenegro is in crisis and that the business environment is largely discouraging for the commercial development of news outlets. Many print and electronic media outlets teeter on the brink of bankruptcy. In the current market conditions, potential profits from marketing and daily commercial operations appear limited to most outlets. A few outlets in the print media industry—namely, *Vijesti* and

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Dan, with daily circulations of about 20,000 each—are basing their business on sound strategy, research, and marketing campaigns. But for the most part, dailies and weeklies constantly fight against insolvency. The main problem is that their “business” strategy of past years relied on foreign and domestic donations, thereby creating an artificial marketplace. Now that regional conflict has quieted and donors are pulling out, several are unable to make the transition to generating their own revenues to cover operating costs.

As for the electronic media, the situation is complicated due to the large number of radio and television stations. TV IN, TV MBC, and Radio Antenna M offer quality products based on successful business strategies. But for the most part, the typical commercial problems persist: insolvency, bad management, lack of professional staff and quality business plans, and so on. Electronic media businesses are also unprepared for integration into other media outlets, which would significantly contribute to their business survival and further development. Although foreign donors still support some outlets financially, the sums provided are not enough to maintain business operations. These financial difficulties have contributed directly to lower-quality news and information, low staff motivation, poor working conditions, and low professional standards, the panelists agreed.

“Also, there is the danger of flourishing TV stations from Serbia, which will apply for frequency in upcoming tenders, replacing struggling Montenegrin media,” said panelist Vojo Raonic. “Serbian stations will use Montenegrin media space for their own purposes and will not spend their money on program production in Montenegro but will broadcast from Serbia.”

Panelists suggested that it is possible that the media community will meet the same fate as most Montenegrin business sectors: Montenegrin media employ too many people, although their number has decreased dramatically over the past several years from more than 3,500 to fewer than 2,000 now, with one-third in the private sector.

“Montenegrin marketing businesses make €5 to €10 million a year. That amount is sufficient to support no more than three television stations and about 10 radio stations,” said Raonic. “If only three print media outlets, three television, and 15 radio stations exist and the journalists

“Montenegrin marketing businesses make €5 to €10 million a year. That amount is sufficient to support no more than three television stations and about 10 radio stations,” said Vojo Raonic.

who work for them are well paid, then in two to three years we could select the best and form a new generation of journalists. In my opinion, sustainability is the most serious problem.”

There has been little expansion of the advertising market or the services associated with it. No major advertising agency is present in Montenegro. Media themselves are doing too little to attract big domestic companies. Still, media owners cultivate classified ads and simple commercial spots as a main source of income. Only public service RTCG, TV IN, and to a smaller degree TV MBC have serious advertisers present on their screens. TV IN is the only station that succeeded in developing targeted programming (youth programs) attracting the best Montenegrin companies—cellphone providers Pro Monet and Monet—as sponsors.

Media laws forbid receiving government subsidies or any sort of political interference. Public service RTCG is financed through subscription, and for the first time commercial broadcasters are to receive 10 percent of the subscription amount collected to develop programming. However, without enough to cover their costs, many media broadcast the cheapest programs possible—music, or talk shows that last for hours.

Although independent media are not seen as receiving government subsidies, some media outlets appear to favor certain political groups. That has opened space for speculation on what support they might receive.

A few media outlets, mostly those involved in a donor-funded media-development program, have started to use market research as a tool for creating strategic plans and program improvement. During 2003 and the first half of 2004, the MMI regularly provided research done by Belgrade-based Strategic Marketing Agency. Unfortunately the majority of owners, dissatisfied by ratings of their media, refused to accept the findings as relevant. The MMI anticipated establishing a sophisticated rating system using people-meters during 2005.

OBJECTIVE 5: SUPPORTING INSTITUTIONS
Montenegro Objective Score: 2.44 / 4.00

Panelists gave professional associations and unions a bad overall assessment. Almost all of the associations established in previous years either do not function properly or have become exclusive circles with few members. The exception noted by panelists was the Union of Independent Electronic Media of Montenegro (UNEM), which actively supports the interests of

its members. The current associations lack credibility because their reputation within the media community is that they are poor and uninspiring. In addition, particular associations have been professionally discredited. For

“The associations are not perceived as protectors of journalistic interests and are perceived as the property of the people who work in their management bodies,” said panelist Duska Micunovic, program editor at RTCG.

example, the Association of Journalists of Montenegro this year awarded its top prize to a journalist from Serbia. “The associations are not perceived as protectors of journalistic interests and are perceived as the property of the people who work in their management bodies,” said panelist Duska Micunovic, program editor at RTCG.

Participants assessed highly the educational and professional mission of the MMI to train a new generation of media professionals in Montenegro.

The success of MMI, the country’s first media school, was deemed encouraging and important for the media community, especially since Montenegro has not developed the optimal academic framework for journalism education. Currently the first generation of future Montenegrin journalists is studying at the Department of Journalism at the Law School in Podgorica.

Regarding the relations between nongovernment and media sectors, good communication exists between those two cornerstones of civil society. NGOs and media have cooperated on joint campaigns dedicated to the various aspects of public policy such as promoting ecological campaigns, as well as providing unified lobbying on issues of political, economic, and social concern.

Panelists noted the absence of politicization and media discrimination in the operations of print houses. There were problems with distribution services caused by poorly managed operational practices, such as refusing business cooperation. There are also difficulties in collecting timely payments from the print media. Panelists noticed progress in the number of media outlets that offer free access to their websites, although some outlets, such as *Vijesti*, use a different strategy and require payment.

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SUPPORTING INSTITUTIONS INDICATORS:

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- > Professional associations work to protect journalists’ rights.
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- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
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Panel Participants

Esad Kocan, editor-in-chief, MONITOR

Vojislav Raonic, director, Montenegrin Media Institute

Vladan Micunovic, deputy editor-in-chief, *Vijesti*

Duska Micunovic, program editor, TV Crne Gore

Darko Sukovic, editor-in-chief, Radio Antenna M

Jasmina Kocalo, editor, TV MBC

Rajko Sebek, news editor, TV IN

Snezana Nikcevic, member of the MB, Open Society Institute

Mladen Milutinovic, acting editor-in-chief, *DAN*

Nebojsa Reddzic, news editor, NTV Montena

Samir Rastoder, deputy editor-in-chief, *Republika*

Ranko Vujovic, coordinator, UNEM

Jasa Jovicevic, director, MINA news agency

Senko Cabarkapa, president, Journalistic Self-Regulatory Body

Boris Darmanovic, president, Association of Young Journalists

Sasa Brajovic, PDA information assistant, USA Konzulat

Ana Drakic, Democracy and Governance Advisor, USAID

Moderator

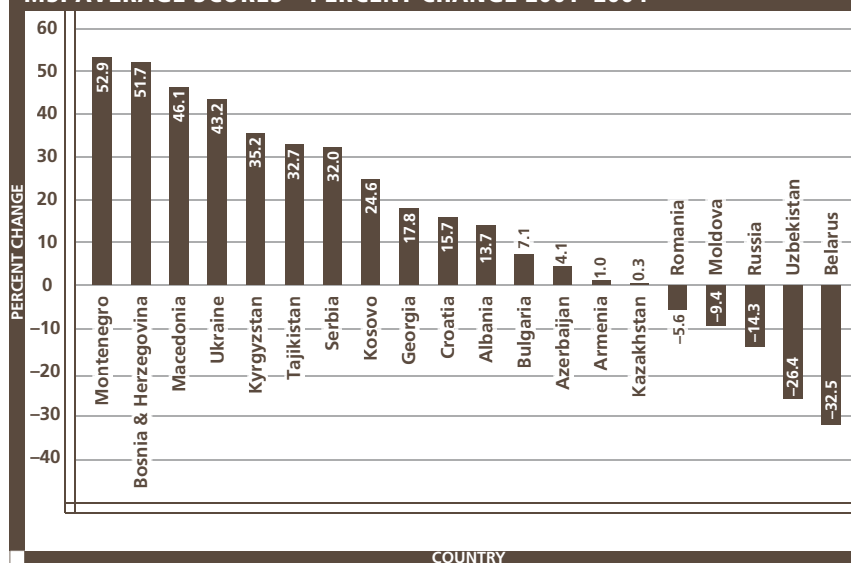
Rade Bojovic, Media doo

MONTENEGRO AT A GLANCE

GENERAL

- **Population:** 620,145
- **Capital city:** Podgorica
- **Ethnic groups (% of population):** Montenegrins 43.16%, Serbs 31.99%, Albanians 5.03%, Bosnians 7.77 %, Muslims 3.97%
- **Religions (% of population):** Orthodox 74%, Islam 18%, Catholic 3.5%, Atheist <1% *November 2004 census*
- **Languages (% of population):** Serbian 63%, Montenegrin 22%, Albanian 5%, Bosnian 2%, Croatian <0.5%
- **GDP:** NA
- **GDP/GNI per capita:** NA
- **Literacy rate (% of population):** 93%
- **President or top authority:** President Filip Vujanovic, Prime Minister Milo Djukanovic
- **Next scheduled elections:** Parliamentary October 2006

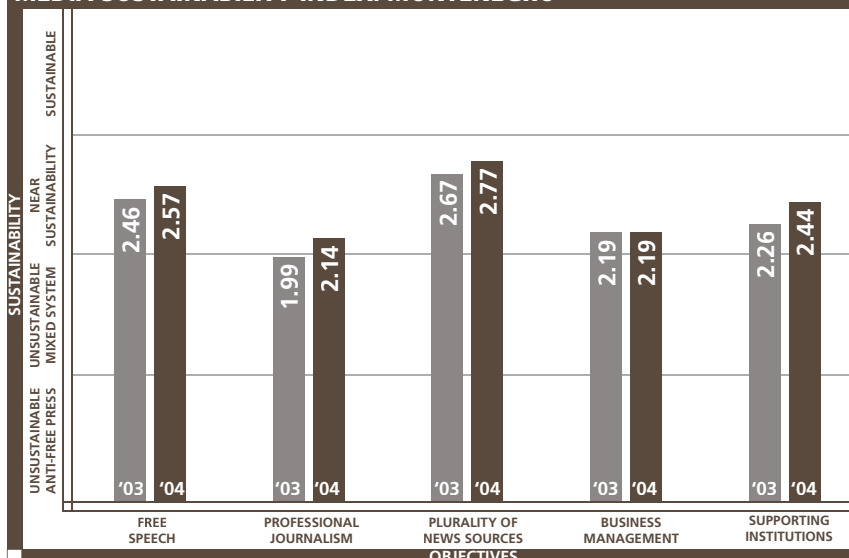
MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Estimated total circulation is between 55,000 and 60,000 copies. Two of the largest papers are *Vijesti* and *Dan*, with circulation around 20,000 copies each. The *Monitor* weekly produces 5,000 copies.
- **Broadcast ratings (top three ranked stations):** TV Pink, TV Crne Gore, TV In *Strategic Marketing*, September 2004
- **Number of print outlets, radio stations, television stations:** There are 45 print outlets, 15 television stations, and 43 radio stations. *Montenegro Media Institute, 2004*
- **Annual advertising revenue in media sector:** 7 million to 10 million euros
- **Number of Internet users:** 16% of the population has Internet access.
- **Name of news agency:** Mina

MEDIA SUSTAINABILITY INDEX: MONTENEGRO



"JOURNALISTS' REPORTING CAN OFTEN BE INFLUENCED BY FINANCIAL INDUCEMENTS LEADING TO SELF-CENSORSHIP. AGAINST THIS BACKGROUND, THE STATE HAS TOLERATED THE ACCUMULATION OF SIGNIFICANT ARREARS BY A NUMBER OF THE LARGEST MEDIA COMPANIES, INCLUDING MOST MAJOR PRIVATE TV STATIONS," ACCORDING TO THE 2004 EUROPEAN COMMISSION'S REGULAR REPORT ON ROMANIA.



Romania, the largest country in Southeastern Europe, had a variable evolution after the fall of communism. Economic reforms were slow, and democratization met numerous obstacles. A center-right coalition governed from 1996 until 2000, when former communist Ion Iliescu and his Social Democrat Party (PSD) returned to power. Although economic growth progressed and Romania is expected to become a full European Union (EU) member in 2007, the past four years evidenced serious backsliding in terms of democratization—and press freedom was one of the main victims. The PSD, with Prime Minister Adrian Nastase at the helm, took a generally authoritarian approach, seeking to maintain control through pressure on the media, nongovernmental organizations (NGOs), and the courts.

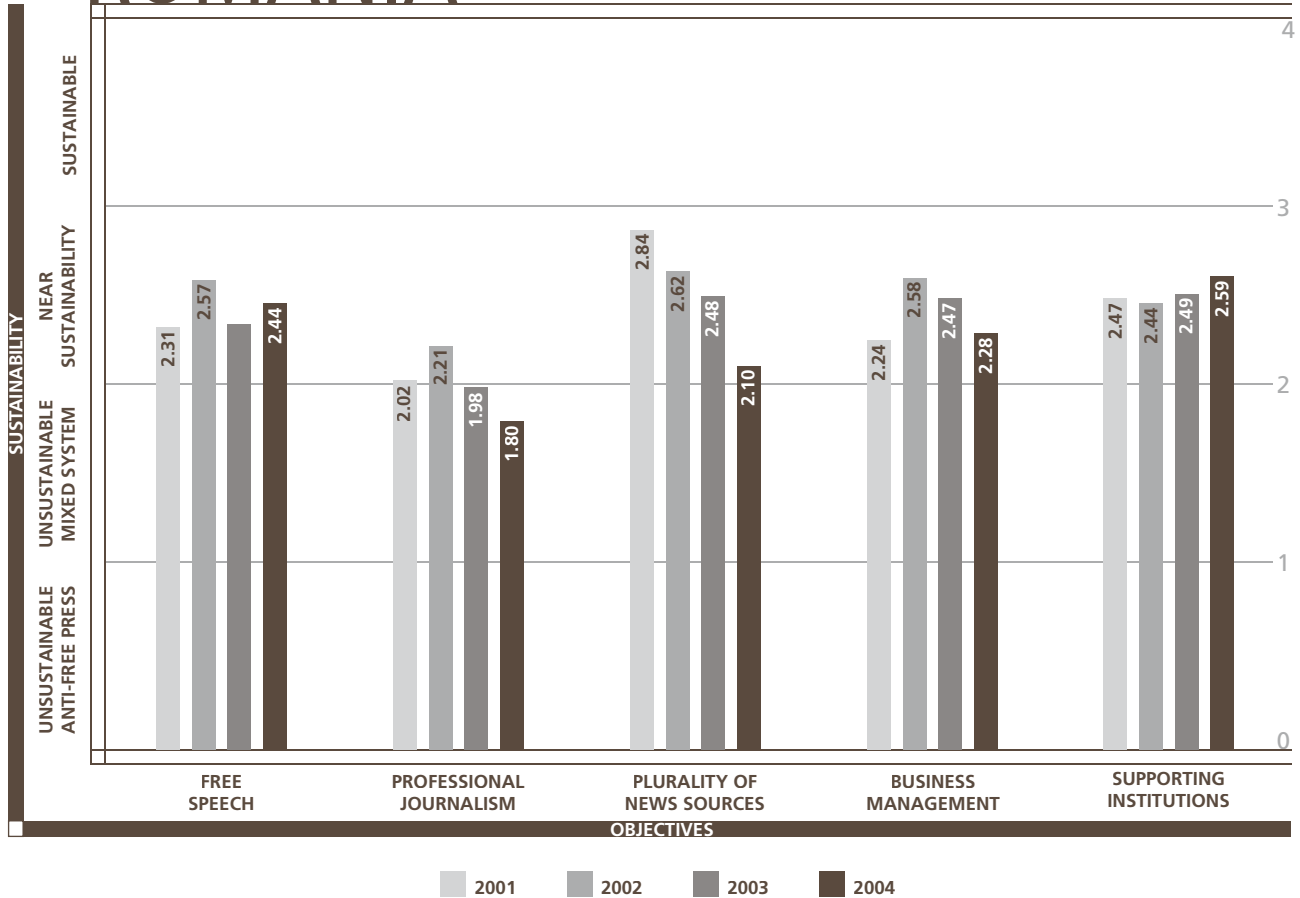
During 2003 and 2004, media independence in Romania became a concern for international organizations. Freedom House evaluated the country's press as "partially free," and the 2004 edition of the European Commission's regular report on Romania underlined the major problems: "Journalists' reporting can often be influenced by financial inducements leading to self-censorship. Against this background, the state has tolerated the accumulation of significant arrears by a number of the largest media companies, including most major private TV stations. Such a situation may compromise editorial independence, and media-monitoring studies have observed that the TV news is notably less critical of the government than the written press. Over the reporting period, cases of serious physical attacks against journalists have increased. Investigative journalists for local papers have been a particular target. This is a disturbing trend, and, to date, investigations have had limited success."¹

Presidential and parliamentary elections were held in November 2004, and the ruling party spent the period leading up to the vote trying to induce positive media coverage and keeping the opposition off the media agenda. In November, the minutes of a PSD leadership meeting surfaced that showed explicit guidelines had been issued to quash any media criticism of the government. Throughout the year, Prime Minister Nastase and the

¹ 2004 Regular Report on Romania's progress toward accession, Commission of the European Communities, October 2004.

MEDIA SUSTAINABILITY INDEX

ROMANIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

PSD remained the real stars of television news, while opposition leaders were attacked on air. Nonetheless, Nastase lost the presidential race in a dramatic run-off against Traian Basescu, the popular mayor of Bucharest and leader of the opposition. Although Basescu became president, the PSD maintained a strong position in the parliament and the new government started its work vulnerable to political instability.

The negative trends identified by the Media Sustainability Index (MSI) panel in 2002 and 2003 continued through 2004. Particularly acute is the reduced plurality of media available to Romanians. The country made some progress in establishing the legal norms of free speech by changing the penal code as it relates to libel and slander. But the MSI panel noted that independent media receive government subsidies through advertising paid from the state budget under contracts that are awarded arbitrarily. The panelists also expressed heightened concern about self-censorship, partisanship in the state media, and the lack of transparency in media ownership.

OBJECTIVE 1: FREE SPEECH

Romania Objective Score: 2.44 / 4.00

Article 30 of the Romanian Constitution guarantees freedom of expression, but it includes a prohibition against “defaming the country and the nation.” The penal code, applicable until revised statutes take effect in June 2005, punishes such defamation with a prison sentence of six months to three years. “Although there is no known court case, the very existence of that provision has been a deterrent for freedom of speech,” said panelist Manuela Stefanescu, a representative of the Romanian Helsinki Committee.

The new law also completely deletes libel as a felony but still lists calumny as a felony, although it eliminates the potential of a prison sentence. “We came pretty close to European legislation, and the legal structure is better,” said Virgil Nitulescu, an advisor for the Culture and Media Commission in the Chamber of Deputies. The new code introduces good faith as a defense for journalists and reverses the burden of the proof of truth.

Other legislation continuing to threaten freedom of expression includes the 1991 law on national security, which contains vague definitions of “national security” that could be interpreted as including virtually any information. The 2002 law on classified information reinforced the secretive approach inherited from the Communist regime. These laws contradict the 2001 Freedom of Information Act and the 2003 Sunshine

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Law. “Unfortunately, the laws on national security and classified information are too strictly interpreted, while those on free access to public information and transparency are not fully implemented. There are no consequences for officials who infringe on them,” Stefanescu said.

The MSI panelists questioned whether free expression is important to Romanians. “Freedom of speech is valued only by a limited category of the population (the intelligentsia).

“We came pretty close to European legislation, and the legal structure is better,” said Virgil Nitulescu.

Violations of this freedom have little or no impact on the public at large,” said Stefanescu.

Broadcast media licensing is controlled by the National Council of Broadcasting (CNA), which is based on a French model. The CNA has operated since 1992 and is subordinate to the parliament. The 11 members are appointed by the president, the government, and the

Chamber of Deputies and the Senate. Their terms were extended in 2004 from four to six years, a move presented as reducing political influence on the panel by extending the council tenure beyond parliamentary terms.

Panelists said, however, that political influence persists within the Council, and some complained about

“We are talking about investigative reporters, (and) it is obvious that these reporters cannot feel secure in Romania,” said the Helsinki Committee’s Manuela Stefanescu.

corruption in the licensing process. In 2004, panelists noted, the CNA tried to limit the number of licenses owned by political interests, but politics soon dominated the process. Alexandru Lazescu, who runs a network

of local radio stations, said, “Licensing is a process in which political involvement is obvious. I got a license for a radio station in Focsani. The current president of the CNA supported me in order to maintain more balanced media there.” Afterward, Lazescu said, the Council president was reproached by regional representatives of the PSD, which had lost its media monopoly in the area. In another case, however, Lazescu said only two licenses were awarded to opposition-linked owners, just enough to show the ruling forces did not receive all the permits. “The entire process is now more politicized than corrupt,” Lazescu said.

Market entry for a media business is the same as for any other enterprise. After advocacy by the Romanian Press Club, representing mainly media directors and owners, the value-added tax (VAT) for newspapers and books was reduced. In 2003, the government eliminated the 3 percent local tax on advertising, and the 2002 Law on Broadcasting eliminated special taxes for broadcasting paid by the television and radio stations. Panelists agreed that the commercial law applied to the industry is not a problem.

The government’s formal “to do” list drawn up in preparation for EU integration includes resolving all cases of attacks on journalists. A report due May 31, 2004, on progress in this area remained outstanding at the end of 2004, although the government restated its promise to complete the investigations after the EU country evaluation was issued in November. “In negotiations with the government, we were promised this report, with a specified deadline for it to be presented, but again nothing happened,” said Ioana Avadani, from the Center for Independent Journalism.

Among the pending cases is one from 2003 in which Ino Ardelean, a journalist from Timisoara in western Romania, was seriously injured by unknown assailants. “We are talking about investigative reporters, (and) it is obvious that these reporters cannot feel secure in Romania,” said the Helsinki Committee’s Stefanescu. Razvan Martin, a panelist from the watchdog Media Monitoring Agency (MMA), said, “Compared with last year, even though the attacks were not that severe, there were the same number and only a few of these cases have been solved by the police.” A MMA draft report states: “A large number of these attacks were perpetrated by politicians, public officials, or authorities, even law-enforcement officers. During the electoral campaigns, several candidates behaved aggressively against the press.” However, Adrian Voinea, who operates a regional newspaper and radio station, said he saw more interest on the part of authorities. “I think they were moving faster this year. One of my men was beaten, and the police were moving faster after a public scandal occurred. But initially they did not react.”

There were no cases reported in 2004 of local officials acting against critical media outlets, apparently because the PSD had warned regional leaders that their actions were damaging Romania’s image internationally.

Many journalists and media institutions are brought to court or forced to pay huge fines in moral damages. A 2004 MMA survey showed that 28 of the 100 journalists interviewed have been sued at least once for libel or slander. However, the panelists did note some positive developments. “Something is changing in the courts,” Voinea said, recalling a case in which his editor won a suit involving the former president of a regional council. “The judgement was based on European precedents,” he said.

State media include Romanian Television (TVR), composed of one main television channel and three smaller stations, four radio channels, and the news agency Rompres. No print media are state-owned. The president, the parliament, and the government participate in appointing the boards of the national radio and television stations. The news agency was moved from the Public Information Ministry to formal control by the parliament in 2004, but bad management and political influence have damaged its credibility, and it is a weak player in a market clearly surpassed by the privately owned Mediafax agency.

The panelists agreed that “public” media are not a reality in Romania, and that the state-owned outlets represent an arm of the government, regardless of who is in power. “They are tightly controlled and do not dare to criticize

the government,” said Stefanescu. “Moreover, they intentionally mislead the public (for instance through their coverage of negotiations for EU accession). Powerful businesses close to the ruling party interfere with editorial content and management of public media.” She noted that a scandal involving the oil refinery RAFO controlled by leaders of the PSD was virtually ignored in the state media during the election campaign.

On a more encouraging note, in December a young reporter working with TVR gave an interview describing cases in which the management asked him to avoid sensitive issues dealing with the government. Six other TVR journalists later confirmed the interference and pressure. In both cases, management rejected the allegations and nothing changed, although a disciplinary investigation against the reporter is ongoing. Panelist Brîndusa Armanca, the former director of the local branch of Romanian Public Television in Timisoara, was fired two years ago after she invited opposition leaders to appear on her program. She said that during 2004 “the influence of politics on public media increased, and I don’t think that the influence of private businessmen diminished. The electoral campaign led to increasing pressure on TVR to become a pro-government station. Its dependency on the government and the prime minister is what defines it. I appreciate the public declarations of some of the journalists, who confirmed that they have a spine.” (TVR management claimed Armanca was fired for disciplinary reasons, and a legal case is pending.)

Also during 2004, journalists at Romanian Public Radio (SRR) complained publicly about editorial pressure and censorship imposed by the top management of the station. They described a newsroom where political interests filter the news programming and specifically mentioned the distorted presentation of the European Parliament report on Romania, censorship of any criticism of then-Prime Minister Adrian Nastase, and excessive praise of the PSD. The National Council of the Audiovisual recommended in April that the SRR respect its duty to provide media pluralism and implement its own ethics code to ensure editorial independence.

Romania adopted a Freedom of Information Act in 2001, but implementation remains a problem with a “culture of secrecy” prevailing. Specifically, the law does not clearly address the so-called national companies that operate through public funding even though they are registered as commercial companies. Also, in May 2004, the Senate voted on an internal memorandum classifying information regarding expenses related to senators’ travel, procurement contracts, attendance lists, and salaries. The Center for Independent Journalism (CJI) began negotiations with

the government in November 2004 to change FOI laws to reflect the principle of “public money equals public information.” Although the government responded favorably, negotiations were delayed by the elections.

Journalists can benefit from existing FOI laws, but few know how. Panelists also observed that judges are deciding more FOI suits in favor of journalists. Some cases gain public support, encouraging a speedy trial. CJI sued the government for refusing to provide an internal memo that requested public institutions ask for the prime minister’s approval before issuing advertising contracts. CJI won, but the appeal is pending.

“Freedom of speech is valued only by a limited category of the population (the intelligentsia). Violations of this freedom have little or no impact on the public at large,” said Manuela Stefanescu.

Media outlets have unrestricted access to international news and news sources. However, Voinea noted that Internet businesses are consolidating, which may create a near monopoly. “In Craiova, for example, the RDS company is dominating the market even though its quality is rather poor. Obeying a political demand, they recently bought the last independent network,” he said.

There is no need for a special license to practice journalism in Romania. Journalists need accreditation to enter certain institutions, and FOI laws specify this can be cancelled only if a journalist seriously disrupts government activities. The penalty can be applied only to the specific journalist, not the media outlet as a whole, but in 2004 the Permanent Bureau of the Senate withdrew the accreditation of *Romania Libera* after the daily published an article on a Senate sex scandal. The Senate rescinded its decision after protests by the industry.

Some politicians occasionally propose a press law to regulate the profession, but free-speech proponents reject this idea, afraid of what might be included. With a new parliament in place, some panelists expected the discussion to start again. “We noticed that the most difficult period for the press, from the legal point of view, is at the beginning of each new mandate. New members of parliament arrive with new ideas and a new set of rules for the media. I believe that in 2005 it would be more difficult from this point of view,” said Nitulescu.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Romania Objective Score: 1.80 / 4.00

Panelists concluded that the quality of journalism is badly affected by interference from owners and politicians. Manuela Stefanescu of the Romanian Helsinki Committee described a gloomy media landscape: "A majority of media outlets side with the government, and some still dare to expose the wrongdoings of the officials. Public television is fully controlled by the ruling party and the government. In addition, two privately owned televisions (Pro TV and Antena 1) sided with the government. Pro TV...owes huge sums in unpaid taxes. Payments have

been repeatedly rescheduled (and possibly pardoned) by the government.

"We all practice self-censorship," said Voinea.

Antena 1 became a staunch supporter of the PSD and a hostile critic of the political opposition after its owner, also the chair of a small political party, joined the ruling coalition. Of the numerous small private television stations, only one (Realitatea TV) tries—and partially succeeds—to be objective. But it has limited coverage, and ratings give it only 3 to 4 percent. Of the print media, only a few daily publications such

as *Evenimentul Zilei* or *Cotidianul* and weeklies like *Academia Catavencu*, *Dilema Veche*, or *22* dare to expose government wrongdoings. Local newspapers are either totally controlled by the PSD or are forced to close down due to harassment."

The electoral year exacerbated the situation, and panelist Ioana Avadani, of the Center for Independent Journalism, detected "an 'overcorrection' phenomenon, with some journals turning themselves into opposition journals in order to compensate for the general lack of criticism." Some independent newspapers felt frustrated enough to become open enemies of the government, including *Evenimentul Zilei*, a favorite of middle-class, urban, and well-educated Romanians outraged by government corruption and abuses. With the mainstream media supporting the government, and the few others turned into open "enemies" and harassed, objectivity was the main victim of the electoral year.

A variety of professional codes have been developed, but the journalism community has failed to adopt any one and most journalists do not think these documents are significant. Some progress was made by the Convention of Media Organizations (COM), which gathered 36 outlets together in 2003 and adopted a Code of Ethics. For the moment, however, it lacks effective implementation. The Romanian Press Club, one of the most influential associations, adopted a code but failed to impose it on its own members. Regional editor Adrian Voinea said, "Some are trying to respect the provisions, while others totally neglect them. You wonder then who can solve this situation?"

Panelists agreed that self-censorship is common. "We all practice self-censorship," said Voinea. "It is a problem for both editors and journalists. Self-censorship has economic causes for any serious newspaper. For instance, advertising paid by the state. If I wrote something bad about the railroad company, I won't receive advertising contracts. When I wrote about the National Printing House, they canceled the contract. I reached the conclusion that we could live without writing about the National Printing House."

Alexandru Lazescu, owner and editor of local publications and radio stations, said the state advertising contracts have a negative effect on editorial independence even at private outlets. "The government says that only 8 percent of advertising revenues are paid by the state. Even so, these funds are distributed unevenly. Some receive much more than others, irrespective of economic criteria. For example...*Evenimentul Zilei* received \$500,000 from public institutions and state companies in 2003. In 2004,

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

the government was upset by the newspaper's criticism and canceled the contracts."

Political control over local media was refined by the PSD, according to meeting minutes that surfaced and were considered authentic by all the MSI panelists despite the denials of the party. The minutes said that each PSD leader was responsible for getting positive coverage from specific outlets. Prime Minister Adrian Nastase was alleged to have said in the minutes, "Each of us has to put on paper 10 names of political analysts to be recommended for television and radio stations."

In 2004, a young Timisoara journalist, Malin Bot, published a book describing the daily pressure exerted by politicians and owners on media. One case involved Eugen Sasu, an investigative reporter whose father-in-law was pressured about his agriculture business by the authorities before Sasu gave up and left his career. Sasu's investigative reporting partner, Ino Ardelean, was severely beaten and left unconscious in the street in a still-unresolved case. Brindusa Armanca said Bot had no chance of work in Timisoara and joined a re-launched Bucharest newspaper, *Cotidianul*, that gathered "inconvenient" journalists as a sort of media refugee camp. "It is hard to find a job after you have become known as a person with your own principles and ideas," Armanca said.

These constraints undercut the media's ability to cover key issues, such as corruption. There is not a single investigative broadcast on any television station; the last two, one on TVR, the other on Antena 1, have been halted during the past year. Few newspapers publish investigations on a regular basis, and the most aggressive paper, *Evenimentul Zilei*, is hurt by internal conflict between the ownership, the Swiss Ringier company, and journalists who claim it struck a deal with the Nastase government to mute critics.

The Romanian Center for Investigative Journalism was formed as an NGO by young investigative reporters working for different publications. Research it conducted in 12 cities in 2004 concluded that investigative journalism is disappearing from local media. Similarly, the Bucharest branch of Freedom House analyzed 60 local newspapers and found an overwhelming majority publish only neutral or positive information about the authorities.

Estimates of average salaries for journalists ranged from €120 to €130 per month to €200 to €250 and even more for Bucharest-based outlets. While some panelists believed low wages encourage corruption and make ethical choices difficult, Voinea rejected the connection: "If you don't want to take a bribe, you will

not take it. It does not matter how high your salary is." Most salaries still are at the will of the owners, which often try to avoid taxes by paying a small official salary supplemented by undeclared cash. "This prevents journalists from accessing credit, from making long-term financial arrangements, and from having a certain stability," said Armanca.

Panelists agreed that the main television stations increasingly focus mainly on entertainment. In 2004, a smaller television station, Realitatea TV, turned to all-news programming and "serious" content. Two years ago, a larger television station made a similar move but stepped back after a few weeks.

Panelists did not perceive the technical capacity of media as a problem, although local outlets lag behind those in Bucharest. Most newsrooms have computers and Internet access, and most radio and television stations use digital technology.

Panelists also agreed that niche journalism developed during 2004, especially regarding finance and business information and women and home-design magazines. Specialized magazines are strongly market-oriented and tend to flourish. "The media is following the demands of a more and more sophisticated society. Still, this development is controlled, and the areas where criticism is likely to appear see their freedom limited," Ioana Avadani, of the Center for Independent Journalism said.

"It is hard to find a job after you have become known as a person with your own principles and ideas," Brindusa Armanca said.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Romania Objective Score: 2.10 / 4.00

In 2004, more than 15 Bucharest-based daily newspapers were on the market, and in any other main city, three or four were available. Almost a hundred magazines and monthly publications are distributed nationwide. The increase in private broadcasters also continues. Antena 1 began its on-air transmissions in Fall 1993; Tele 7 ABC channel started in 1994, but has declined recently. PRO TV went on air in December 1995, and Prima TV joined the market in 1997. Smaller television stations operate in the countryside. In 2001, two new television channels opened in Bucharest: B1

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

TV and Realitatea TV. Another, National TV, appeared in 2003, and in 2004 the same owner opened an all-news channel, N24. More smaller stations operate in the countryside. The market is dominated by state television and two of the private channels, Antena 1 and ProTV.

Virgil Nitulescu of the media committee at the Chamber of Deputies, said, "The cable companies reached rural areas, but to no good end, because there is nothing interesting to see on TV."

Realitatea TV, which switched its format to all-news and talk shows in 2004, has changed ownership many times and is run currently by a somewhat shadowy company controlled

by the powerful trade-unions of the national oil company's workers. However, the station became more professional after a new team was appointed in Fall 2004, significant investments were made, and an agreement was signed with CNN. Its competitor in the television news market is the newly launched N24.

However, N24 has had problems signing distribution contracts with the cable networks, which its journalists suspect result from a political blockade.

The state broadcaster has four television channels, one of which is received countrywide, and four radio channels covering news, culture, youth, and music. Urban areas are served by cable companies, but the state broadcaster has had a nearly captive audience in many rural communities. The Cable Communication Association (CCA) reported that 3.5 million households, or about half, are connected to cable television. The cable industry is very concentrated and became more so in 2004, with the seven companies active in 2002 now consolidated as three. The subscription cost remains low at about €4.2 per month—the CCA said it is the lowest in the region, followed by Bulgaria at €5—but is expected to rise. In 2004, an agreement between the cable companies, seeking new markets, and the government led to the decrease in connection costs, which facilitated expansion of cable service to the villages. This development was considered positive by the MSI panelists, but Virgil Nitulescu of the media committee at the Chamber of Deputies, said, "The cable companies reached rural areas, but to no good end, because there is nothing interesting to see on TV."

A 2004 survey showed that 73 percent of Romanians consider television as their main source of political information, while 8 percent specified newspapers and 6 percent radio. However, most television news programs focus on accidents, entertainment, celebrity scandals, and the like. Politics elicit only marginal viewer interest, and a report² issued by the MMA showed that Prime Minister Adrian Nastase captured 47 percent of all appearances by political leaders. The same report showed the prime minister and the president were the only politicians receiving almost exclusively positive and neutral coverage, and journalists rarely asked questions about official statements.

Most television channels relegated themselves to being government propaganda mechanisms. Dan Voiculescu, the owner of Antena 1, the second-largest commercial television station, is also the leader of the Romanian Humanist Party (PUR), a minor partner with the ruling PSD until 2003. Since then, PUR has changed its alliances a couple of times, switches that were reflected in the political coverage of Antena 1 and *Jurnalul National*, a daily belonging to the same media company. PSD openly acknowledged in a press release³ that it needed PUR for

² Media Monitoring Agency, "Power vs. opposition—TV coverage," September 2004.

³ August 31, 2003

its media empire: "When the cooperation agreement between PUR and PSD was signed, an important argument was that Mr. Voiculescu already owned Antena 1 and the daily *Jurnalul National*."

Prima TV, the third major private channel, remained a pro-government station during 2004. In 2002, the Transportation Ministry was reported to have allocated \$6 million worth of public funds through a small provincial television station to an advertising firm owned by the manager of Prima TV, but there was no serious investigation and nobody was held responsible.

The bias in television coverage forced the National Council of Broadcasting (CNA) to issue a March 2004 resolution urging television stations to fulfill their obligations to accurately inform the public. The CNA imposed a "tiers rule" to maintain balanced coverage of the executive branch, the parliamentary majority, and the opposition. However, its monitoring methods raise some questions. For example, Nastase's media appearances are counted alternately as head of the government and as a political-party president. The monitoring counts only the "direct comments" (meaning the voice inserts) of the politicians. Thus, if a 10-minute package about a government meeting includes only 15 seconds of sound bites, this is recorded by the monitors as "15 seconds for the government," according to Ioana Avadani, director of the Center for Independent Journalism.

More than 40 percent of Romanians live in rural areas where the Internet is an undiscovered world, despite the government's effort to connect all schools. "The vast majority of villagers and most of those living in small towns do not even know what a computer looks like," said Manuela Stefanescu, of the Helsinki Committee. In addition, the print media in rural areas are not very affordable, and the distribution system is rather slow, with newspapers often reaching readers a day or more late. Razvan Martin, from the MMA, noted that rural areas generally supported Nastase and the PSD during the 2004 election, in contrast with urban areas that backed the opposition.

The state broadcaster does not contribute to the plurality of news sources available to Romanians by presenting balanced coverage, according to the MSI panel. In April 2004, during a Reporters Sans Frontières (RSF) delegation visit to Romania, General Secretary Robert Menard declared: "No well-meaning person could say that public radio and television reflect in an equitable manner the political life in Romania."⁴ The statement generated debate among journalists, some

⁴ www.revistapresei.ro, April 2, 2004.

of whom said they had to distort newscasts, and the state radio management, who rejected the charges and accused the journalists of discrediting the institution for personal reasons. Later, RSF reported that amid the election campaign, "state television TVR1 turned its news bulletin into an open campaign against (opposition leader) Traian Basescu. Out of 16 stories in the newscast, 15 covered the issue of the call to annul the elections. But

"The vast majority of villagers and most of those living in small towns do not even know what a computer looks like," said Manuela Stefanescu, of the Helsinki Committee.

only one presented Basescu's viewpoint, while all the other personalities interviewed (journalists, analysts, and politicians) opposed the idea." The general director of TVR rejected the allegations, citing National Council of Broadcasting monitoring that showed balanced coverage.

In December 2004, Romanian TV reporter Alexandru Costache, age 26, publicly questioned the "umbilical cord" that he said linked the state broadcaster to the PSD and Nastase. He claimed he had been ordered to remove parts of Election Day footage showing the opposition presidential candidate casting his ballot. Six other journalists working for Romanian TV confirmed Costache's allegations and gave similar examples. The Ethics Commission of TVR investigated and ruled that most of the accusations were true, leading the general director to promise a reorganization of the news department.

The MSI panel did credit the state broadcaster with attempting to provide some cultural broadcasts, although many were criticized as boring. "TVR doesn't even cover the gap left by the commercial television stations regarding the education of the public," said Nitulescu. "They created TVR Cultural, where they exiled the cultural and educational programs that almost disappeared from the main channel."

The most important news agency is the private Mediafax, now the main news provider to all media in Romania (public or private), although the \$300 to \$800 monthly fee is prohibitive for small local media outlets. Mediafax is part of the same media conglomerate as PRO TV, but panelists expressed their concern about lack of clarity in Mediafax's ownership structure.

There are no legal provisions regarding transparency of media ownership. The 2002 broadcasting law stipulates that one owner cannot dominate the market, defined

as a share exceeding 30 percent, and that an individual or a firm can have an ownership stake in only one station. The first study on media ownership in Romania was completed in 2004. Produced by the South East European Network for the Professionalization of the Media (SEENPM), "Media Ownership and Its Impact on Media Independence and Pluralism" included a chapter on Romania showing media outlets owned by ghost companies registered in tax havens or in countries that allow anonymous shareholders, such as Holland or Switzerland. After the study was released, the National Broadcasting Council asked every licensed operator to provide data regarding shareholders, but the president, Ralu Filip, recognized later that the material submitted was woefully incomplete.

The panelists said they knew of no resistance to including social issues in coverage, or any harassment of journalists writing about minority-group issues, and that there were minority-language media. They did note that Roma remain underrepresented in the media, and that ethnic origins tend to be mentioned when a member of a minority group is charged with a crime.

OBJECTIVE 4: BUSINESS MANAGEMENT
Romania Objective Score: 2.28 / 4.00

Romanian media are becoming gradually more market-oriented. And in fields where political interest is negligible, such as information technology and architecture, media can flourish commercially. However, only a few media outlets function as real businesses within a corrupted and overcrowded market. MSI

panelist Adrian Voinea, an editor from eastern Romania, said, "You fight in vain to be efficient. You are in the same market as those who are not efficient and don't care about

"Rescheduling the debt of media owners owed to the state budget means disguised subsidies," said panelist Manuela Stefanescu.

it because they have other businesses." Many owners have other businesses and inject funds into media operations they view as means to burnish their images or as instruments of pressure to obtain contracts, especially when public money is involved.

Within the broader print media industry, presses are generally profitable and many newspaper companies have their own, which also print advertising materials

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

or books. All print media have problems with the Romanian Post Company, which handles subscription distribution but is slow and inefficient. Direct sales are dominated by the formerly state-owned Rodipet, privatized in December 2003 but still behind in payments to publishers and in debt to the state for \$9.8 million. Newspaper executives complain Rodipet is slow to deliver, favors certain clients, and does not provide information on copies that are sold per day and per region. Private distributors have their own kiosks but depend on public authorities for authorization to install them.

Romanian newspapers rely heavily on sales, especially regional editions. The situation is better for the larger journals in Bucharest, where the advertising market is better developed. Overall, panelists estimated, sales represent 60 to 80 percent of newspaper revenues.

The state radio and television stations have three sources of funding: state subsidies covering the cost of transmitters and relays, advertising, and subscriptions, which are compulsory for all owners of radios or televisions.

There are no direct subsidies for media outlets in Romania, but panelists identified two types of hidden subsidies: advertising by state institutions and companies such as railroads to promote government

policies, and the postponement of debt owed to the state budget. State advertising reached the public agenda in 2004 via the European Commission country report. The parliamentary opposition initiated a motion against the government on the issue of advertising with public funds, and *Evenimentul Zilei* protested that it was being denied government advertising contracts held by competitors with similar or lower circulation. Cristian Tudor Popescu, editor of *Adevarul*, said 17 percent of the revenues from advertising for his paper come from the state but denied he had a deal with the prime minister to secure these contracts or that this money influenced editorial policy. "The system of advertising with public money seems to have perfected itself and is now a greater force of corruption," said panelist Brîndusa Armanca.

In 2003, the Ministry of Finance published a list of companies owing money to the public budget. It turned out that all the national television stations carried debt, either directly or through other companies with the same owners. In the new list published in September 2004, some television stations were not included, but it was not clear if that meant they had no debt or if they had been allowed to reschedule it. "Rescheduling the debt of media owners owed to the state budget means disguised subsidies," said panelist Manuela Stefanescu.

Despite the large number of indigenous advertising firms, 80 percent of advertising money circulates within the Romanian branches of international agencies. According to ARBOMedia, less than 5 percent of advertising in print media goes to local publications, although these outlets have a larger combined circulation and more readers than Bucharest-based publications.

The media industry has started to become more professional, mostly regarding market research, the MSI panelists said. Research is expensive, and many struggling media outlets cannot afford to buy studies. However, the foreign media companies with a range of glossy magazines in the country regularly commission research and adjust their products in response to the results. The Romanian Audit Bureau of Circulation (BRAT) was founded in 1998 as an independent, non-for-profit organization, and many advertising agencies make a certificate issued by BRAT a precondition for any advertising contract. BRAT conducted the first National Readership Survey (SNA) in 2002 using donor support and has continued to produce regular studies used by advertising agencies.

The 2002 broadcasting law allows the National Broadcasting Council to select a single rating system, which functions as a private operation without a system for publishing data, even on a delayed basis. For radio, the IMAS polling institute started research, but the radio market is divided and only represents 8 percent of the total advertising market. Larger radio stations started their own market research, but this is not possible for most smaller operations.

One of Romania's not infrequent media wars took place in 2004 between Antena 1 and Realitatea TV when the owners fought over their interests in the oil industry via the media they controlled. MSI panelist Alexandru Lazescu, a regional media owner, said, "It is a common thing now to use media as a weapon, but media credibility is decreasing. There is inertia among the editorial staff. Many journalists believe this is a normal situation." Lazescu said there also are situations in which the owners edit ghost newspapers with minimal circulations simply to blackmail political leaders. "It is incredible how people who edit newspapers with a few hundred copies have power, because politicians are afraid of them. This is a fake market phenomenon in which media are used to support other businesses."

Foreign capital has been comparatively slow to appear in the Romanian media market. Journalists had hoped foreign involvement would improve independence, but panelists said this notion was dispelled during the 2004 election campaign by the situation at two newspapers owned by the German conglomerate Westdeutsche Allgemeine Zeitung (WAZ). One daily, *National*, operated as an unofficial spokesman for PSD; the other, *Romania Libera*, which traditionally represented rightist views, was embroiled in protest when journalists accused WAZ of bringing in a new editorial team to align it with the PSD. The Romanian Press Club and other media supported the journalists, and WAZ backed off, selling some shares to a Romanian businessman who later reached an agreement with the journalists.

Alexandru Lazescu, a regional media owner, said, "It is a common thing now to use media as a weapon, but media credibility is decreasing. There is inertia among the editorial staff. Many journalists believe this is a normal situation."

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Romania Objective Score: 2.59 / 4.00

The journalism community in Romania remains generally skeptical of joining a union. However, the first collective labor agreement for the media was developed during 2004. The idea was championed by

“The journalism schools set out with enthusiasm and good educational models. Currently, however, the quality is really low and... there is a big gap between the professional and academic environments,” said panelist Brindusa Armanca.

the Federation of Trade Unions of Journalists and Printers from Romania (FSJTR), which had 10 unions and 1,500 workers as members. FSJTR joined with other unions, especially from the state radio and television sector, to form a confederation

called MediaSind with 8,500 members. MediaSind and an ownership group negotiated a government-recognized collective labor contract that entered into force in May 2004 and, in theory, should be imposed on

each media outlet with more than 21 employees. Among other provisions, the contract establishes the conscience clause as one of the fundamental labor rights for journalists. However, owners and editors are skeptical about the contract, and only one national daily newspaper, *Ziua*, has agreed to apply it.

The Romanian Press Club (CRP) is one of the most visible associations. Representing media owners, publishers, and media directors, the organization is active in lobbying the government on the business aspects of the media industry, especially taxation. CRP also became involved in cases relating to freedom-of-expression violations and attacks on journalists. Internal conflicts arose in 2004 when the former director of *Evenimentul Zilei* resigned from the organization while alleging deals between CRP members and the government.

Panelist Ioana Avadani, director of the Center for Independent Journalism, said important progress was made by creating the Association of Local Press Editors (APEL). The association was established following a Freedom House–Romania project that tried to facilitate access of local press to advertising from large companies based in Bucharest.

Broadcasters have ARCA, which was successful in getting the government to allow private broadcasters access to new frequencies, but it does not deal with editorial questions.

Journalists associations generally are not very active. The Society of Romanian Journalists (SZR), an affiliate of the International Federation of Journalists (IFJ), provides its members with legal assistance and benefits such as international identification cards.

The most important NGOs involved in media issues are the Center for Independent Journalism (CJI), Media Monitoring Agency (MMA), Romanian Helsinki Committee, Romanian Academic Society, Freedom House – Romania, Open Society Foundation – Romania, and Pro Democracy Association. These organizations act as an informal coalition, and the Convention of Media Organizations in Romania (COM) has emerged, bringing together 36 organizations from across the country to promote a better regulatory and business environment for the media. COM initiated the first public debates about corruption in the press and is working on self-regulatory mechanisms for implementing the ethics code it adopted.

There are 20 journalism university programs across Romania, both state and private. The average number of students per class is 60, so a huge number

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

of journalism graduates flood the market every year—but they are not qualified. “The journalism schools set out with enthusiasm and good educational models. Currently, however, the quality is really low and...there is a big gap between the professional and academic environments,” said panelist Brindusa Armanca. Journalism programs are mostly theoretical, while the professors are rarely active journalists and there is evident contempt between academics and professionals. Students do not receive hands-on training, despite an annual three-week “practical training” at professional newsrooms, because there is no culture of instruction within most newsrooms and students do not know how to—or do not care to—make the most of the opportunity.

After the closing of the BBC School in 2001, the Center for Independent Journalism remained the only short-term training provider. Courses in news values, production for radio and television, writing skills, investigative reporting, and photojournalism are in high demand. However, director Ioana Avadani said owners and editors remain little interested in their employees’ professional development. In 2004, the center, in partnership with the Faculty of Journalism and Communication Sciences (FJSC) at the University of Bucharest, began a program for English-language journalism, the only one in the region in which an educational institution recognizes the credits from courses taught by an NGO. A variety of study-abroad opportunities exist, but many participants do not come back to the Romanian media, where, panelists said, their training may have exceeded that of their bosses.

Panel Participants

Manuela Stefanescu, program coordinator, Romanian Helsinki Committee, Bucharest

Ioana Avadani, director, Center for Independent Journalism, Bucharest

Razvan Martin, program coordinator, Media Monitoring Agency, Bucharest

Brindusa Armanca, professor, Faculty of Journalism, Timisoara

Virgil Nitulescu, expert, Permanent Commission for Culture and Media, Chamber of Deputies, Bucharest

Alexandru Lazescu, editor, Radio Mix, Ziarul de Iasi, Iasi

Silviu Ispas, development director, ARBOMEDIA, Bucharest

Adrian Voinea, editor, *Gazeta de Sud*, Craiova

Liviu Avram, journalist, *Cotidianul*

Moderator

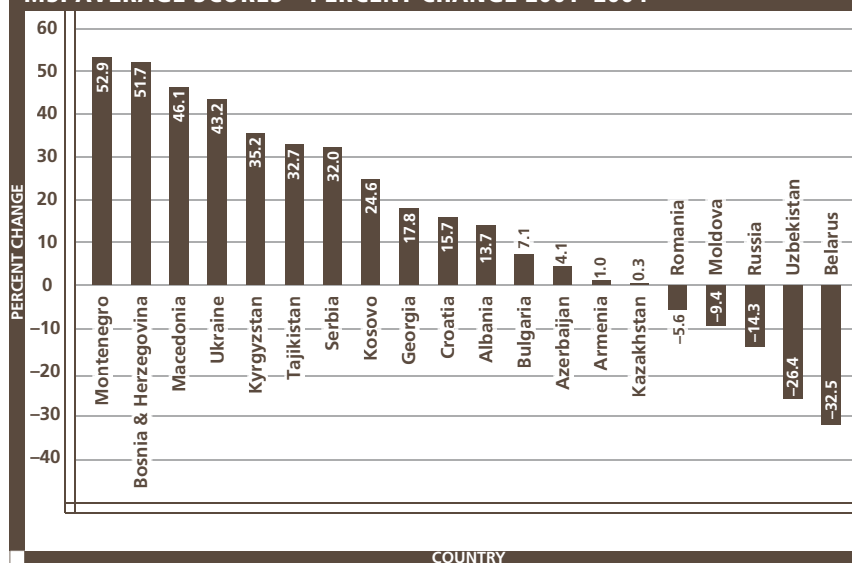
Cristian Ghinea, journalist, *Dilema veche*, Bucharest

ROMANIA AT A GLANCE

GENERAL

- **Population:** 22,355,551 (est. July 2004)
- **Capital city:** Bucharest
- **Ethnic groups (% of population):** Romanians 89.5%, Hungarians 6.6%, Romas 2.5%, Ukrainians 0.3%, Germans 0.3%, Russians 0.2%, Turkish 0.2%, other 0.4% (2002)
- **Religions (% of population):** Eastern Orthodox 87%, Protestant 6.8%, Catholic 5.6%, other (mostly Muslim) 0.4%, unaffiliated 0.2% (2002)
- **Languages (% of population):** Romanian (official), Hungarian, German
- **GDP:** US\$155 billion *Central Bank est. 2004*
- **GDP/GNI per capita:** US\$7,000 *Central Bank est. 2004*
- **Literacy rate (% of population):** 97.4% *Census of Population and Dwellings, March 18–27, 2002, National Institute of Statistics, www.insse.ro*
- **President or top authority:** President Traian Basescu
- **Next scheduled elections:** Parliamentary 2008, presidential 2009

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004

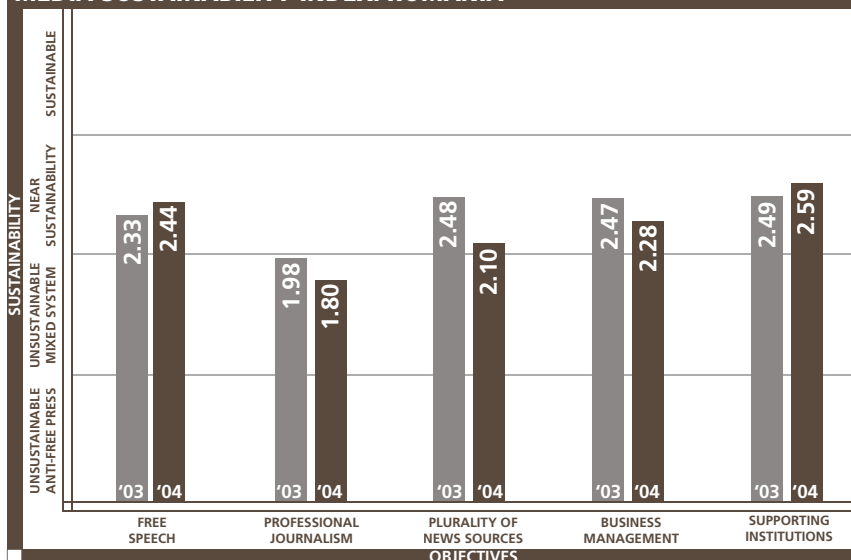


MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** The newspapers registered by the Audit Bureau of Circulations (BRAT) sell 1,021,732 copies each day. The largest paper, *Libertatea*, sold 260,000 copies in 2003. *Audit Bureau of Circulations – BRAT (www.brat.ro), 2003*
- **Broadcast ratings (top three ranked stations):** TVR1: 28.1%; Pro TV: 15.3%; Antena1: 13.2% *TNS AGB International, December 31, 2003*

- **Number of print outlets, radio stations, television stations:** There are approximately 900 print outlets; 519 radio stations and 189 television stations were licensed by the National Broadcasting Council—most of them locally. *Statistics of the National Broadcasting Council, www.cna.ro, November 2004*
- **Annual advertising revenue in the media sector:** US\$75–80 million *ARBOMedia estimate*
- **Number of Internet users:** There were 1,129,583 Internet connections as of June 30, 2004 *National Agency for Communications, www.anrc.ro*
- **Names of news agencies:** Mediafax, Rompres, AM Press, Rom Net, Amos

MEDIA SUSTAINABILITY INDEX: ROMANIA



STILL, THE TABLOIDIZATION OF THE MEDIA WAS THE MOST DISTRESSING PHENOMENON TO MEMBERS OF THE MEDIA SUSTAINABILITY INDEX (MSI) PANEL EVALUATING THE COUNTRY'S MEDIA ENVIRONMENT DURING 2004. THE EMERGENCE OF A NEW BREED OF POLITICAL TABLOIDS COINCIDED WITH THE SOURING OF THE POLITICAL CLIMATE.



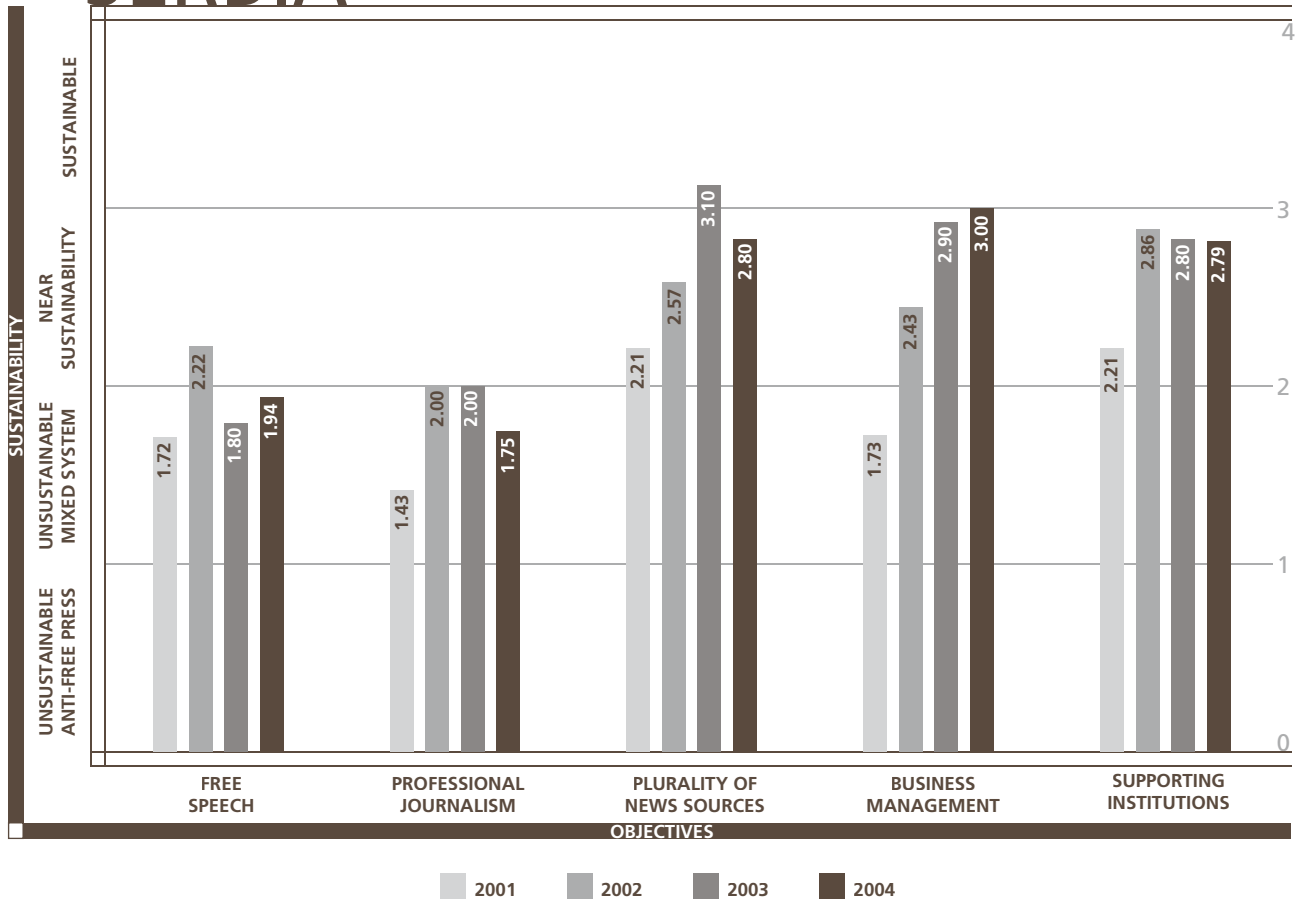
Four years after a popular revolution overthrew former President Slobodan Milosevic and Serbia began its transition to a modern democracy and market-regulated economy, the country still has a media sector that international experts rank as perhaps the worst regulated in the region. Although the Freedom of Information Act was finally adopted toward the end of the year, libel has yet to be decriminalized. The government failed to resolve the crisis over the Broadcast Council that saw the leading independent journalist and media associations declining to nominate candidates for the new panel, thus effectively boycotting the process. The government also never delivered on its promise to redistribute frequencies according to fair and equal conditions and standards for all electronic media in Serbia. The failure of successive democratically elected, post-Milosevic governments to privatize local state-owned media is coming back to haunt them, as municipal elections in the fall resulted in the return to power of former Milosevic political allies. Radicals, Socialists, and other parties have celebrated their return to municipal office by firing local media managers whose political affiliations they did not like.

Still, the tabloidization of the media was the most distressing phenomenon to members of the Media Sustainability Index (MSI) panel evaluating the country's media environment during 2004. The emergence of a new breed of political tabloids coincided with the souring of the political climate. This worsening environment was marked by an uneasy cohabitation between President Boris Tadic and Prime Minister Vojislav Kostunica, leaders of two rival democratic parties. The dramatic resurgence of the extreme nationalist Radical Party, which now routinely captures over a third of votes in elections at all levels, also contributed to the divisive political situation.

In Serbia, tabloids engage not only in sensationalist, unfair, and unbalanced reporting, but also in the active and knowing fabrication of lurid scandals, character assassinations, and witch hunts against selected individuals. As professionally conducted research into newspaper readership trends in Serbia showed the rapidly rising popularity of the politically motivated tabloids, other publications began to drop their guards and lower their journalistic standards to remain competitive in the media market.

MEDIA SUSTAINABILITY INDEX

SERBIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The MSI records that despite the implementation of new laws in Serbia supposedly making the process of independent journalism easier, the reality is very different. Laws appear to be un-enforced, and many journalists seem to ignore basic ethical standards, particularly when covering stories involving ordinary citizens. For example, there is no attempt to protect the identity of child victims of abuse, and journalists continue to attribute statements to people they have never interviewed. This trend is particularly worrying when journalists report on vulnerable groups in the population, and research on the “tabloidization” trend in 2004 found that even more respected publications tended toward unfounded generalizations by attributing behaviors to whole ethnic groups.

The panelists also noted a significant trend in television programming. Network stations reduced their commitment to news and information programs in favor of entertainment shows. The IREX-funded research and people-meter system shows the shift away from information- and news-based programs toward entertainment. The most popular political programs had also become much more entertaining and appeared to be driven by the need to acquire large audiences, rather than the need to provide an analysis of the way the country was developing.

Panelists expressed optimism about the way reporting from the special courts (established for war crimes, organized crimes, and political murders) appeared to be so clear and professional. The panelists believed that the training provided to journalists reporting on war crimes was a real help in this area.

Last year the assassination of the prime minister, and the subsequent state of emergency, played an overarching role in panelists’ remarks. This year the political arena was more peaceful, if not still chaotic. The disappointment about the failure of the Broadcast Council to be properly established last year was still present in the minds of the participants, but they were also concerned about the pressing need to face up to the privatization of municipal media and the effects that would have on journalism.

Last year panelists expressed concerns that the state and politicians could control editors. Recently, however, concern has shifted to the extent of big-business influence and economic interests on the ability of media to provide free and accurate news in Serbia. This is an additional concern particularly for independent journalists, but most tabloids are still controlled by political forces and therefore face the more traditional problem of political censorship and interference.

OBJECTIVE 1: FREE SPEECH

Serbia Objective Score: 1.94 / 4.00

The panelists generally believed there are still problems related to the implementation of new laws that would help media thrive in Serbia. In addition, there are concerns about the draft Advertising Law, intended to replace existing regulations that have been routinely disobeyed. This draft is seen as a significant threat to media-company revenues because of its extremely rigid approach toward advertising tobacco and alcohol products—including going so far as to propose banning the use of tobacco and alcohol-company logos on business cards. There also is general consensus that the law on defamation is both insufficient and unclear, to the extent that journalists were not sure how to operate within the legal confines of libel and slander and appear to be open to prosecution for criticisms of politicians that would be allowed for other citizens.

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

The MSI panel also noted a lack of respect for freedom of speech in Serbia. The panel considered the Access to Information Law that finally passed into the statute books in 2004 an improvement, but questioned whether it was being put into practice to support free speech. According to panelist Dragoljub Zarkovic, "Free speech has not come to life yet. Here freedom of speech did not become a serious issue yet." Added Nikola Mirkov, "There is an absolute apathy toward that [freedom of speech], a complete fatigue, and that is even worse."

The introduction of the value-added tax (VAT) that is to replace turnover tax in 2005 was expected to reduce the total level of taxes, improving newspaper sales and print outlets' income levels. Panelists also recognized that this new tax was generally in accordance with European Union practices and could not and should not be avoided.

There were about 50 legal proceedings against journalists in court during 2004, approximately the same number as the previous year. The panel observed

Added Nikola Mirkov, "There is an absolute apathy toward that [freedom of speech], a complete fatigue, and that is even worse."

that the present government, installed in March 2004, had made a conscious decision to step away from filing suits against the media. This decision was viewed as an

attempt to show the incumbents as less prescriptive than the previous Democratic Party-led government. The panel also mentioned that the general media environment in Serbia was more relaxed than last year, when the state of emergency was imposed after the assassination of Prime Minister Djindjic. Despite this more open atmosphere, panelists pointed out that in March 2004 the independent station B92's broadcast truck had an explosive device placed under it in southern Serbia near the Kosovo border. Furthermore, one of the station's news cameras was damaged by security officers in May 2004. Neither of these cases was properly investigated by the police in the view of the station, nor were criminal charges filed against any suspects.

The appointment of the new director for the state broadcaster Radio Television Serbia (RTS) proved problematic in 2004. The director ultimately was appointed by the government under a special act, thereby circumventing the law regarding the selection process as well as RTS' internal selection rules. MSI panelists expressed disappointment at what they viewed as a step backward. Also troubling was the

firing of experienced editors and the hiring of new media managers at a number of municipally owned stations. This followed the local elections, during which the incoming coalition of governing politicians sought to install their political cronies in influential positions at local outlets. Panelists considered the politicization of senior media jobs to be more prominent than in previous years. "Local municipalities are ignoring essential legal provisions, and members who are not eligible compose the management boards of media outlets," an Independent Journalists' Association (NUNS) representative said.

The panel members saw no indication that the new government provided privileged information to any particular media. Access to the journalism profession remained free, with no licensing requirements.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Serbia Objective Score: 1.75 / 4.00

Some MSI panelists criticized how many journalists still failed to check facts and seemed content with including poorly researched and unsourced information in their articles. Hearsay was still viewed as a good-enough source for in-depth stories. The panelists also noted that commercial interests were increasingly influencing editorial decisions, and that the ambiguous

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

relationship between advertisers and reporters needed to be more clearly addressed. Faced with strong and sometimes underhanded competition and working in a market where citizens' buying power is low, some editors succumbed to offers from commercial lobbies, raising revenues by providing favorable reports on their business interests. The panel concluded, nevertheless, that overall journalism standards were improving and that the level of self-censorship has decreased since last year. It appeared that few, if any, editors at commercial media outlets were afraid that their jobs were at risk from politicians as a result of their news coverage. At the level of local, state-run, and municipal-run outlets, however, editors remained constrained by the needs of local party leaders. "The general scene regarding professional standards is bad, but there are also a number of good exceptions," one panelist said. Dragoljub Zarkovic explained that "centers of power are moving from political circles into economic ones. The fear from politicians is now smaller, but pressure from big business is rising."

The media's ability to adequately cover prominent and breaking-news events was a subject of significant concern for MSI panelists. Even within more established publications, journalists seemed to lack the capacity to research thoroughly the background of an unfolding story of national importance. There are limited library facilities at media businesses in Serbia, and few publications maintain investigative units with resources to go into depth on stories before publication. The resulting poor coverage led to the lack of credibility in the coverage of complex issues related to the country's future. According to a local broadcast manager from eastern Serbia, "Local media are introducing more news, but the quality of news programs is low... Journalists and editors are not at all up to the level needed to cover the dramatic nature of our society." Dragoljub Zarkovic mentioned that "for people here, the political theater is cheap theater, so journalism is like that for us, too...News programming is becoming entertainment."

According to the panelists, the number of overtly biased political stories may be decreasing, but there was continuing concern about the apparent lack of consistently followed ethical standards at many publications and broadcasters. This was clear when dealing with the protection of children's rights and other sensitive issues related to disclosing private information, such as in cases of family violence and child abuse. Dragoljub Zarkovic said, "Finding the journalist specialized for reporting on corruption, privatization...is impossible. Specialized writing is not rated highly. Specialized reporting is both the main

problem and the main opportunity for our journalism."

Panelists observed that the state television station's program schedule changed greatly during 2004, with the inclusion of far more entertainment shows and a reduction in news- or information-based programs. The panel agreed with the findings of ratings research that viewers were increasingly

Dragoljub Zarkovic mentioned that "for people here, the political theater is cheap theater, so journalism is like that for us, too... News programming is becoming entertainment."

choosing entertainment shows offered by network channels. It was also noted that traditional political programs have undergone somewhat of a transformation in 2004. More of these shows borrowed their ideas and styles from the world of entertainment. The people-meter agency GM stated, "The new program schedule of the national TV station (RTS Channel 1) has changed so much by focusing on entertainment programming, that they have overtaken the entertainment market leader TV Pink in ratings." Outside of Belgrade, however, the regional media had increased their local news content, which panelists reported was appreciated by local audiences.

Panelists agreed that the economic situation was not improving for media owners. Although revenues had risen, media companies were spending much more on technical services, programs, and taxes, and thus the profits had not risen. This was happening at a time when grants and donations to independent media were decreasing, and media managers had to carve out revenue opportunities from the already crowded media market.

The panel highlighted the development of court reporting during 2004. Journalists received specialized training in this area, and it has shown in the way these trials are reported on. Coverage from the International Criminal Tribunal being conducted at The Hague was praised. Also noted was reporting on the first locally prosecuted war crime cases in Serbia's Special War Crimes tribunal, which started in 2004, and the lengthy high-profile trial of an organized-crime group accused of assassinating Serbian Prime Minister Zoran Djindjic. However, panelists noted there is still room for improvement in other specialized coverage areas, such as domestic violence, children's rights, privatization, environmental protection, the economy, and the monitoring of government policy.

The panelists concluded that in 2004, Serbian media moved away from being judged simply on its competence to cover basic political stories and toward a more faceted gauging of the ability to inform citizens on complex and vital issues.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Serbia Objective Score: 2.80 / 4.00

The quality of journalism provided by public companies—the majority of them having television and radio stations, but some of them owning multiple broadcast and print outlets—in more than 160 municipalities in Serbia has not significantly improved since 2001, the MSI panelists concluded. In fact, they said, editorial control at many of the municipal outlets is getting tighter, leading to a reduction in the depth and breadth of information being provided to residents of these regions. Following the local elections in 2004,

which left fewer democratic parties in control of local government posts, some incoming parties replaced professionally trained media managers with their own supporters. While this process may be limited to municipal stations, panelists still felt it decreased the overall level of independent

According to the local broadcast manager from eastern Serbia, “The ownership situation is constantly bad due to the blockade on the privatization process” that would take the outlets out of the hands of local governments.

news sources available to citizens. According to the local broadcast manager from eastern Serbia, “the ownership situation is constantly bad due to the blockade on the privatization process” that would take the outlets out of the hands of local governments.

Regarding commercial network television, panelists felt that in evaluating the choice of news sources available to citizens, they needed to take into account the example of the owner of BK TV. In 2004, he became active in politics, establishing his own political party and becoming a presidential candidate while remaining the owner of BK TV. Critics accused him of unabashedly using his outlet to pump out his personal opinions and party messages. This, panelists said, reduced the options for citizens seeking objective news and increased the use of the media for political propaganda.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens’ access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

OBJECTIVE 4: BUSINESS MANAGEMENT

Serbia Objective Score: 3.00 / 4.00

In number terms, Serbia’s private media industry is much larger than the state-owned sector. There are about 1,700 different media outlets in Serbia. Of those, 130 (fewer than 8 percent) are state owned. As a result, there is a wide variety of publications and broadcasters, and publishing houses have been able to produce as wide a variety of newspapers and magazines as they choose.

However, the issue of liquidity is a general problem facing many media outlets in the country. Because of poor economic conditions, the industry remains weak. Furthermore, operating costs increased significantly during 2004, leaving managers with the extremely difficult task of increasing sales in such a chaotic and congested market. With an average annual income of about \$2,400 per family, the disposable resources for most citizens in Serbia does not justify such a large number of publications.

The advertising market is dynamic, with advertising revenues on an upward cycle. But despite a 15 to 20 percent increase in total advertising revenues,

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

operating costs appear to have outstripped revenues. According to people-meter agency GM, "Due to rising costs, the overall financial situation for the media has deteriorated...It sounds paradoxical, because there is more money in the game, but expenses have grown terribly." He noted that outlets are not abiding by the law that limits the number of advertising minutes during one hour of broadcasting, and there is no government body monitoring or regulating this problem.

Another challenge is the discounting of advertising, with newspapers and broadcasters undercutting each other in the crowded market and leading outlets to sell more space at ever decreasing rates. Television stations are inserting 15-minute ad breaks into their prime-time shows and films, not only violating regulations but also turning off audiences. Among print media, GM/ Chief Editor Dragoljub Zarkovic noted, "The price of newspaper advertisements is low, so while the number of advertisements is growing, their quality is low. The problems are alike in the whole economy, especially the efficiency of collecting payments and outstanding debts from distribution."

Without proper regulation, the electronic media market is chaotic. It is difficult for advertisers to plan their spending and predict where the right audiences are to be found. Also, managers in this sector are faced with a problem of poorly qualified people joining the

advertising business. The MSI panel concluded that training is key to this sector's success. A marketing agency owner stated, "Every [bit of] training in this field is welcome, especially because the staff turnover is high. In marketing and sales, it is practically only young, inexperienced people coming into the business."

The panel noted that the issue of subscription sales is a non-starter in Serbia for now. The country still has poor infrastructure and an expensive postal system that works against developing regular home deliveries. The alternative of using private courier services is not cost effective for the media outlets.

When evaluating the media research market, panelists agreed that there was a wide range in the quality of information available. Some agencies employed questionable methodologies in their research, such as combining television and radio research in one questionnaire or putting different topics in one focus group, while others attained world-class standards. Apart from

According to the people-meter agency GM, "Due to rising costs, the overall financial situation for the media has deteriorated...It sounds paradoxical, because there is more money in the game, but expenses have grown terribly."

biannual national television research, national local radio research, and a baseline newspaper survey commissioned through a media-development program implemented by IREX, media research is not conducted regularly. This poses a problem when attempting to analyze market trends empirically and help media owners improve the targeting of their news services. There are no national, certified circulation data for print media, and the individual company reports are unverifiable.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Serbia Objective Score: 2.79 / 4.00

The MSI panel reported that the Independent Electronic Media Association (ANEM) and the Association of Local Newspaper Producers operated effectively during 2004. They both helped media owners improve key competencies and advocated for media rights. However, panelists were disappointed that the state-owned association of journalists, Journalist Association of Serbia (UNS), seemed increasingly unclear about its

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

goals. UNS also appeared to be needlessly at odds with the independent association of journalists, Independent Journalists' Association of Serbia (NUNS). This rivalry hindered the overall development of professional media interests, independent or otherwise. The Media

Nebojsa Spaic explained, "UNS has again changed its direction toward Milosevic and similar totalitarian parties, and is exaggerating incorrect pressures against NUNS."

Center's Nebojsa Spaic explained, "UNS has again changed its direction toward Milosevic and similar totalitarian parties, and is exaggerating incorrect pressures against NUNS."

The state broadcaster's media analyst, Nikola Mirkov, added, "UNS' behavior and activities are shameful for Serbian media." The panel generally endorsed the training and support work of NUNS, noting particularly its effective work toward exempting print media from taxes on remittances.

During 2004, improvements could be seen in journalism education. Institutions such as the Novi Sad School of Journalism, the Faculty of Political Science, and the Faculty of Performing Arts in Belgrade all improved the

quality of their media studies courses. In turn, better-educated journalists helped stock media outlets with new and skilled reporters.

ANEM, which operates its own training center, and other organizations maintained high-quality short-term courses, helping the overall standard of journalism to continue to grow. However, panelists were disappointed to note that the state still controls Internet connectivity by monopolizing telephone infrastructure. This monopoly control of the telecom industry has reduced any real growth in the vital new media sector. Sources of newsprint as well as distribution systems are for the most part in private hands, apolitical, and not restricted. At the same time, nationwide broadcast transmission infrastructure is still mainly a state monopoly, with private stations having to rent space at these facilities for their own transmission systems.

Panel Participants

Slobodan Kremenjak, ANEM lawyer, Belgrade

Nebojsa Bugarinovic, president, Independent Journalist Association of Serbia (IJAS), Belgrade

Voja Zanetic, marketing specialist, Belgrade

Aleksandar Djordjevic, media specialist, European Union Delegation, Belgrade

Zlata Kures, deputy general manager, BETA news agency, Belgrade

Momcilo Djurdjic, deputy general manager, TV Pirot (PIROT)

Dragoljub Zarkovic, director and editor-in-chief, *Vreme* weekly, Belgrade

Darko Brocic, AGB Director, Belgrade

Nikola Mirkov, media analyst and editor of Cultural Program of RTS, Belgrade

Moderator

Nebojsa Spaic, director, Media Center, Belgrade

Observers

Sam Compton, chief of party, IREX ProMedia Serbia, Belgrade

Goran Cetinic, business consultant, IREX ProMedia Serbia, Belgrade

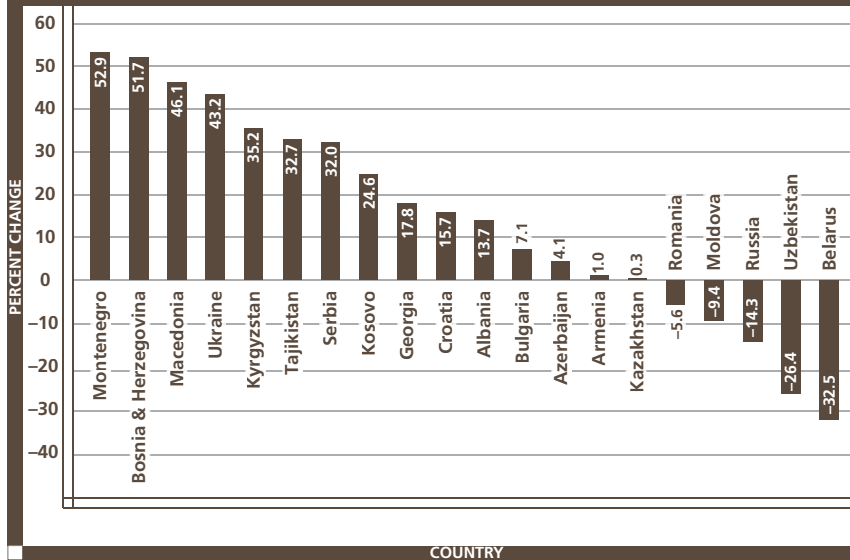
Dragan Kremer, broadcast media adviser, IREX ProMedia Serbia, Belgrade

SERBIA AT A GLANCE

GENERAL

- **Population:** 7,498,000 *SMMRI*
- **Capital city:** Belgrade
- **Ethnic groups (% of population):** Serbs 82.86%, Hungarians 3.91%, Bosniaks 1.82%, Romas 1.44%, Yugoslavs 1.08%, other 8.89% *Federal Statistical Office (FSO)*
- **Religions (% of population):** Orthodox 65%, Muslim 19%, Roman Catholic 4%, Protestant 1%, other 11%
- **Languages (% of population):** Serbian 88.3%, Hungarian 3.8%, Bosnian 1.8% *FSO consensus 2002*
- **GDP:** US\$23.89 billion (est. 2003)
- **GDP/GNI per capita:** US\$2,600 *Strategic Marketing 2004 projection (grey economy included)*
- **Literacy rate (% of population):** 96.3% (According to the last FSO census, there are 3.7% illiterate inhabitants older than age 10.)
- **President or top authority:** President Boris Tadic
- **Next scheduled elections:** 2005

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



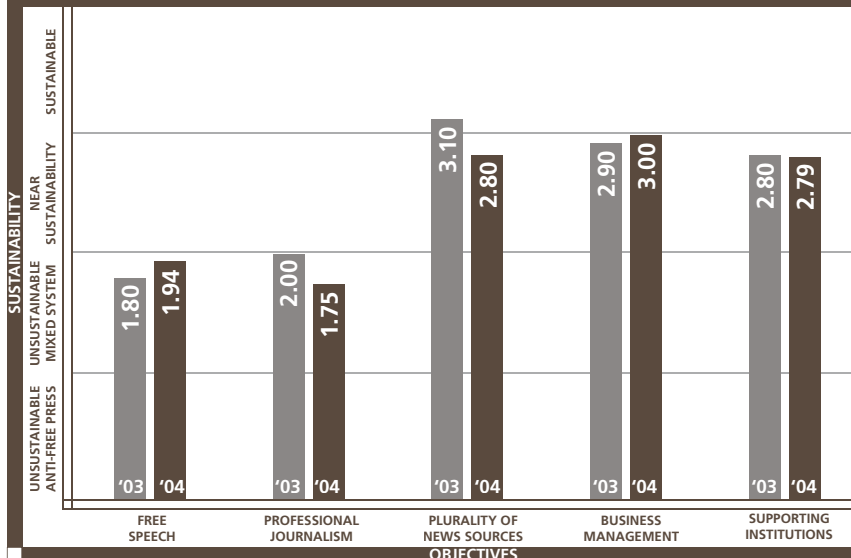
MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** NA
- **Broadcast ratings (top three ranked stations):** TV RTS 1, TV PINK, TV BK. Radio Beograd 1, Radio S, Radio B-92
- **Number of print outlets, radio stations, television stations:** About 1,500 total
- **Annual advertising revenue in media sector:** US\$100 million (estimated real value)
- **Number of Internet users:** 22%

of inhabitants older than age 18 use the Internet.

- **Names of news agencies:** BETA, FONET, TANJUG

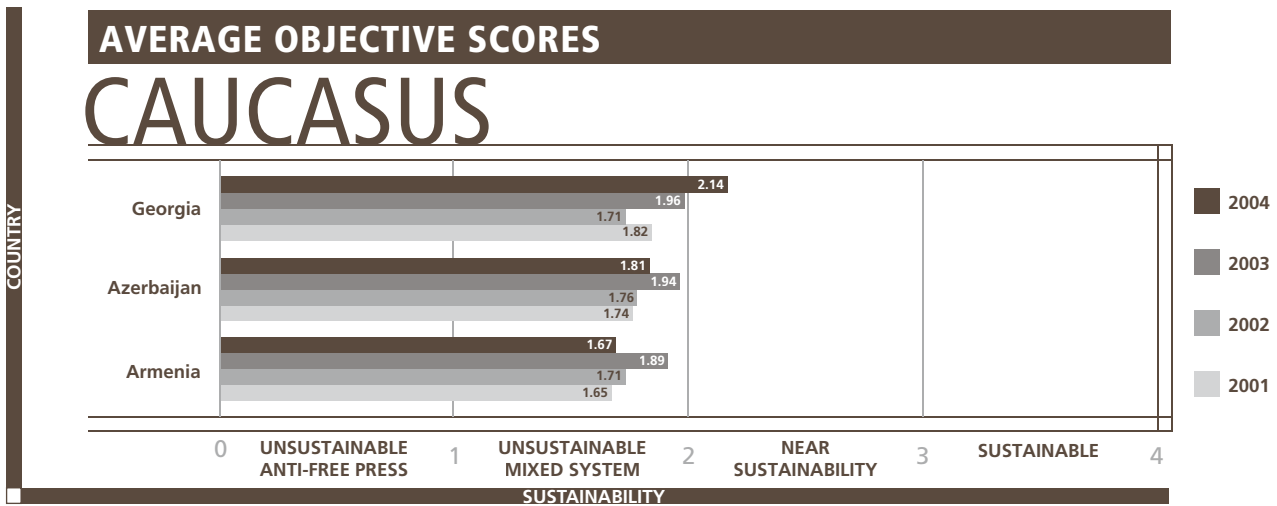
MEDIA SUSTAINABILITY INDEX: SERBIA



CAUCASUS

AVERAGE OBJECTIVE SCORES

CAUCASUS



“WHEN THE JUDGE LOOKS AT YOU AND SAYS, ‘YOU KNOW WHAT? I HAVE LISTENED TO YOU, BUT...’ AND THEN READS THE PREPRINTED DECISION, YOU NO LONGER GET ANGRY BUT JUST LAUGH. THIS IS WHAT WE CALL OUR LEVEL OF PROTECTION,” SAID MESROP MOVSISYAN.





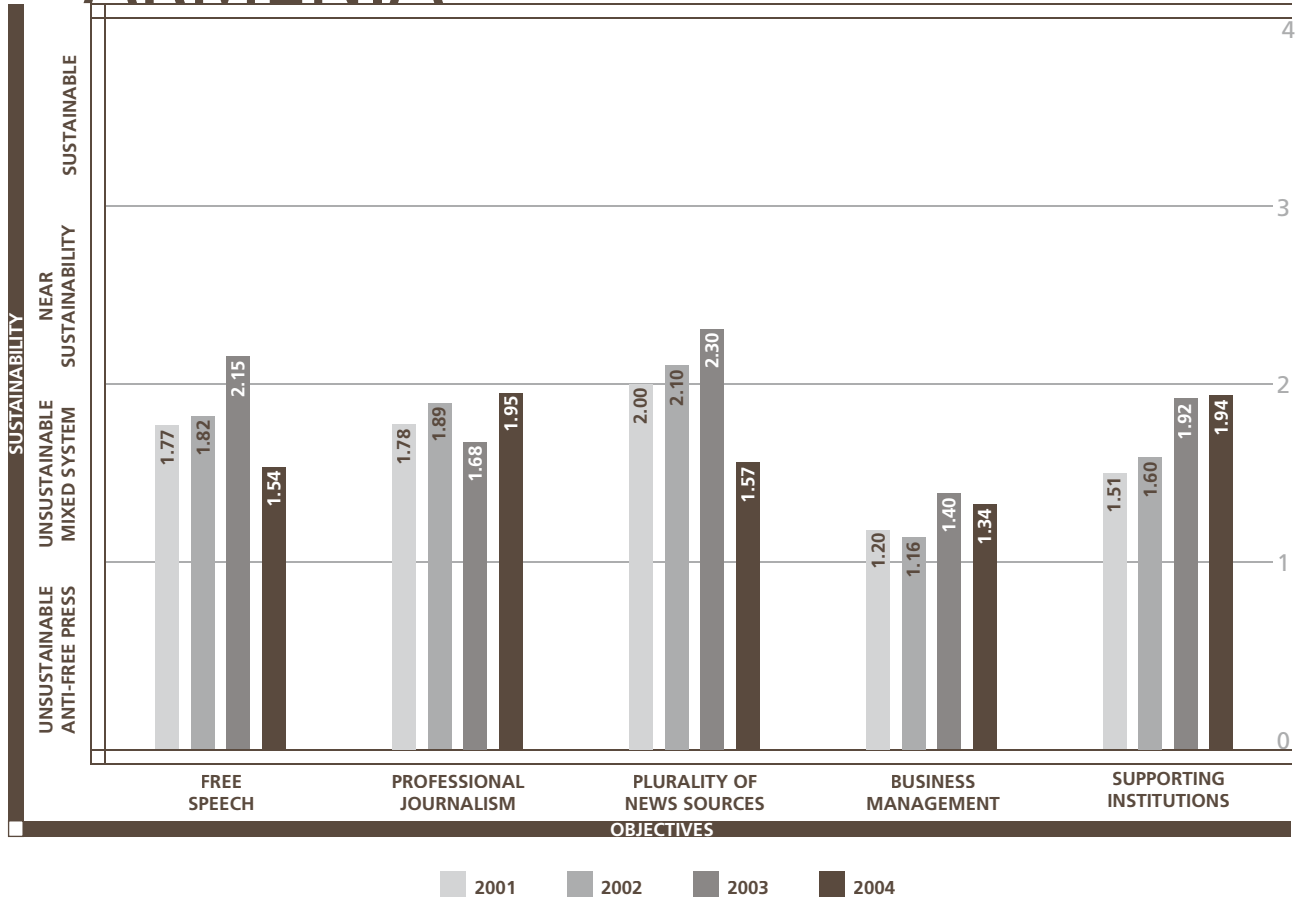
The World Bank, the International Monetary Fund, and the European Bank for Reconstruction and Development have noted Armenia's slow yet steady economic progress. The annual growth rate of the gross domestic product (GDP) is 13.9 percent, and small and medium-sized businesses account for about 35 percent of the GDP. The private sector produces roughly 75 percent of the GDP, high by regional standards. Armenia's political situation remains comparatively stable, although maneuvering within the opposition has begun in anticipation of the 2007 elections. On the negative side, however, are ongoing tensions with neighboring Turkey and Azerbaijan and the resulting closed borders, leaving only limited road and rail links with Georgia and Iran, as well as the small and declining domestic market of only 3.1 million people.

For the media environment, among the major 2004 developments was the National Commission on Television and Radio's enforcement of regulations against airing pirated films. Copyright violations had been rampant before the April 2004 regulations went into effect, but by the end of the year the number of channels running unlicensed content had been reduced significantly. Also of ongoing concern were the difficulties faced by Armenian media trying to provide objective news coverage when most print and broadcast outlets have political or business sponsors. And for those living outside the capital, Yerevan, there were limits on the number of available news sources. A limited number of newspapers reach the larger towns, but hardly any penetrate to the villages. Only four television stations broadcast throughout most of the republic.

The Media Sustainability Index (MSI) panel noted that over the years, the media environment has not changed substantially. There was some backsliding in terms of protection of free speech during 2004 due to negative developments regarding libel law, licensing, and crimes against journalists. On April 12, 2004, a skirmish broke out between police and demonstrators during a meeting of opposition forces, and several reporters were beaten. The panel noted that this was another threat to free speech.

MEDIA SUSTAINABILITY INDEX

ARMENIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The professionalism of journalism was seen as improving somewhat, although overall the ranks of skilled reporters and the quality of the training they receive at the university level do not seem to be increasing much. The plurality of news sources was seen as poorer in 2004 than in prior years, largely because although news outlets may be reasonably plentiful in number, the material they present is very similar and does little to expand the information available to citizens. The ability to effectively manage media businesses was seen as about the same during 2004 as the year before, and support organizations were viewed as somewhat stronger.

OBJECTIVE 1: FREE SPEECH

Armenia Objective Score: 1.54 / 4.00

All MSI panelists agreed that the Constitution of the Republic of Armenia provides for freedom of speech, information, and expression. Most panelists also agreed that the articles conform to international norms and generally favor media. In practice, however,

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

the effective enforcement of these laws is practically nonexistent. The Radio and Television Law adopted in 2000 and amended in 2001 and 2003 “dramatically hinders a significant segment of mass media from developing,” according to Mesrop Harutyunyan, a Yerevan Press Club expert. The panelists said the regulations are difficult to follow and easy to violate unintentionally.

Panelist Shushan Arevshatyan, director of Radio Van, described how her station was required to pay a penalty for an administrative violation of which no one had been aware, and that legal appeals did no good. “Without any prior notice, they just face you with the possibility of bringing you to trial,” she said. “It is not only that you cannot protect yourself at trial, but also after it.” Mesrop Movsisyan, founder and director of A1+ TV, said his station lost its broadcasting frequency and was not able to regain it through subsequent appeals. “When the judge looks at you and says, ‘You know what? I have listened to you, but...’ and then reads the preprinted decision, you no longer get angry but just laugh. This is what we call our level of protection,” he said.

“[The Radio and Television Law] dramatically hinders a significant segment of mass media from developing,” noted Mesrop Harutyunyan.

Licenses for terrestrial broadcasting are awarded on a competitive basis by the National Commission on Television and Radio in accordance with the list of frequencies provided by the Ministry of Communication. The panelists were unanimous in their belief that the licensing process cannot be fair and apolitical since President Robert Kocharyan appoints the nine members of the commission. Panelist Levon Barseghyan suggested that the commission serves instead as a punitive and dictatorial mechanism, as in the case of A1+ TV.

Market entry for media is comparatively free. The tax structure can be considered to be supportive of print media, as the value-added tax (VAT) is waived for the distribution of print media.

Panelists observed that the number of crimes against journalists has risen. A Channel 1 cameraman and reporters from the opposition newspapers *Chorord Ishkhanutiun* and *Haykakan Zhamanak* were beaten during the opposition party meetings on April 12, 2004. Other attacks include the beating of a reporter from the *Aravot* daily who was covering an environmental protection action against cutting trees near the Tsakhkadzor ski resort in August 2004, and the burning

of a car belonging to the editor-in-chief of *Haykakan Zhamanak*. One panelist, Narine Avetisyan, executive director of Lori TV in Vanadzor, described how her car tires were slashed after her station aired a story on illegal construction. "The perpetrators have not been punished

"Reporters will be beaten until they start defending themselves," said Petros Khazaryan.

for most of the crimes. In the cases in which they have been punished, the fines were so negligible that the perpetrators and those supporting them essentially

escaped punishment," said Levon Barseghyan. The panelists did not agree on who should be blamed for the increase in the number of crimes against journalists: the oligarchs, their thugs, or their political backers.

However, panelists did note a positive development regarding implementation of the law in "hindering a reporter from performing his professional duties." This article was applied for the first time in the Tsakhkadzor case. While some felt the fine of approximately \$200 insufficient, the trial itself was considered to have set a positive precedent on behalf of journalists doing their work. "Reporters will be beaten until they start defending themselves," said panelist Petros Khazaryan, president of Kentron TV.

"Without any prior notice, they just face you with the possibility of bringing you to trial. It is not only that you cannot protect yourself at trial, but also after it," explained Shushan Arevshatyan.

The laws and government regulations do not favor state or "public" media over independent outlets, but unofficial favoritism exists in practice. Different forms of this favoritism can be seen in

advertising, orders for certain types of programming being directed to state television regardless of the quality that will be produced, access to information, and content biased toward the government view. Panelists agreed that public television and radio, although called "public," are still perceived as state media in practice.

While libel remains a criminal offense, there have been no actual occurrences of a journalist being charged or tried. However, panelists agreed that since the article is in the criminal code, there is a chilling effect.

Public officials are more protected from libel than are ordinary citizens.

Concerning access to information rights, Levon Barseghyan described how after failing to win a tender for a radio frequency, his organization requested that the National Commission on Television and Radio release the details of the winning offer. The commission yielded to the request only when Barseghyan's firm, fed up with the delaying excuses, offered to provide its own copying machine.

Access to international news sources is unrestricted in the sense that the government imposes no limits. But in practice, slow Internet connections provided by the telecommunications monopoly Armentel limit the accessing of information. The situation is worse in more rural regions, where it can take more than five minutes for a single web page to open via a dial-up connection, the only affordable option. "Low quality and high prices directly restrict access to international information through the Internet," said Levon Barseghyan.

The government imposes no licensing restrictions on journalists, nor grants any special rights. However, accreditation can sometimes be selective (sometimes even subjectively) for special events such as parliamentary assemblies and presidential and ministerial news conferences.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Armenia Objective Score: 1.95 / 4.00

Journalists have begun using multiple sources to check information. However, such cases are rare and biased, or poorly sourced stories are the norm. Objective news is still a significant challenge for Armenian media because most have some kind of association with opposition or pro-government parties and to oligarchs. Outlets that do provide impartial and well-sourced stories are rare.

There are no comprehensive ethical standards for journalists. Although there are professional associations with their own sets of ethical norms, these are limited to their members. "Ethical norms will be in demand and will come to life. They will be more productive and function better than any law with the change of media-financing sources. Now media are mostly fed by oligarchs, and there is no need for an ethical code," said Anahit Harutyunyan, editor-in-chief of *Ditord* magazine, published by the Armenian Helsinki Committee. As an example of unethical conduct,

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Kentron TV's Petros Khazaryan described a personal experience: "The editor calls me, and has a regular conversation with me. Among other things he asks me something casually, and the next day I see printed in the newspaper that their reporter had an interview with me, and I made an official statement. How can I trust the news in this newspaper from that point on?"

Most journalists practice self-censorship, and so do most editors—meaning that each story goes through two stages of self-censorship. This process is again due to the associations that most media have with political parties and oligarchs.

Panelists agreed that journalists should not be afraid to cover key events and issues as long as they are able to do so in a professional manner. Most issues are covered, but the problem is that the viewpoint changes from opposition to pro-government outlet or from public to private outlet. Media avoid certain issues, such as the April opposition meetings that turned into a confrontation between the police and demonstrators. The media hesitated in airing any coverage of this event while they waited to see who would win the power struggle. The only scenes that most private media showed were those provided by the public-

affairs section of the state police, which depicted a demonstrator attacking a police officer. H1 Public TV aired the same footage.

Pay levels for broadcast journalists are not too bad, but those for print media professionals can be quite low. Poor wages are more evident in outlying regions, where the average salary can be as low as \$12 to \$50 per month. Panelists felt that this did not necessarily

lead to corruption, however, and that there is no clear tendency to leave journalism due to low salaries. In some cases, journalists move from one media outlet to another in search of better wages, as pay levels for different jobs at different companies vary widely.

Entertainment programming is abundant but does not eclipse news, which is assumed to have a considerable audience. According to surveys of television program listings, informational programming makes up 17 to 33 percent of the total schedule, depending on the broadcaster.

Providing material of a good professional and technical quality is still a problem for most regional media and at least 20 percent of the local media serving Yerevan, while the national media produce better work in this regard. The technical facilities and equipment for gathering, producing, and distributing news differ based on media in the rural regions and those in the capital. Furthermore, rural and urban media should be subdivided into print and broadcast, with broadcast media further divided into radio and television. Resources for broadcast media are very limited in Armenia's rural regions, where most modern equipment is obtained through grants; resources are somewhat limited for print media. In the capital, print media have the facilities to gather and process news and information. Most broadcast media are not equipped for modern news production. With the exception of a few stations, facilities and equipment are scarce. There are a limited number of vehicles to take reporters to news scenes and not enough field cameras.

"Ethical norms will be in demand and will come to life. They will be more productive and function better than any law with the change of media-financing sources. Now media are mostly fed by oligarchs, and there is no need for an ethical code," noted Anahit Harutyunyan.

Distribution systems vary for print, radio, and television media. The distribution system for the press is largely the Soviet model of a single organization controlling

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kiosks that cover 80 percent of the country. New initiatives spring up periodically but are not sustainable enough to transform the system into an efficient model. For radio and television stations, the problem is weak power and poor-quality transmitters, antennae, and relay devices, which result in diminished video and sound quality.

Niche reporting and programming exist and are more evident in print media than in broadcast. But niche reporting is not widespread, and there is plenty of room for development. However, the lack of professional training is one of the factors slowing that development.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Armenia Objective Score: 1.57 / 4.00

Armenia can be considered to have an abundant number of media outlets per capita. There were 45

“Lately we have terminated our cooperation with a news agency because the information they provide is of no interest to our audience. Today there are no specialized news agencies that could provide us with the news we need for our audience,” explained Shushan Arevshatyan.

print and 46 broadcast outlets, most in the private sector, at the end of 2004. The numbers were expected to increase, particularly in the print sector, since the requirement of registering newspapers (even those printing more than 100 copies per issue)

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

with the Ministry of Justice was lifted by the new Mass Media Law adopted on December 13, 2003.

A plurality, but not a variety, of affordable public and private news sources exists in Yerevan. There is no such plurality in the countryside. A limited number of print publications reach the larger cities, but practically none reach villages and towns. There are only four national television stations; they do not provide alternative views but rather present the same coverage of the same official events. One is ALM, which covers most of Armenia. Others are public TV station H1, H2 on the VHF band, and Armenia. Among the FM radio stations, only the public station reaches most of the country. Yerevan local stations provide alternative area and international news. According to a panelist, however, they cannot provide alternative national news, given the technical limitations in reaching the regions to gather news. Most of the population can afford to buy newspapers, but as mentioned above, the newspapers simply do not reach most villages and smaller settlements. Therefore, the bottom line is that villages and distant communities do not have access to a variety of print sources and are limited to five national broadcast media. Only one of those outlets, ALM, can be considered to provide alternative, although not necessarily accurate, viewpoints.

The government imposes no legal limitations that would restrict citizens' access to domestic or international news. As previously mentioned, one practical restriction is the poor Internet service offered by the Armentel monopoly. In the capital city, a plurality of Internet Service Providers exists. Among them, one can find a provider with a high-quality dial-up connection. In Yerevan, an increasing number of people can afford a Digital Subscriber Line connection, but the prohibitive cost of setting up and maintaining such lines is a limiting factor. Consequently, subscribers are mostly medium to large companies rather than individuals. In the rural regions, the only option for an ordinary person is a dial-up connection. To use the Internet, users must pay long-distance charges, plus VAT, in addition to the Internet cost. Therefore, access to news sources through the Internet is restricted in rural regions. On the other hand, if people can afford to buy consumer satellite equipment (which is considered affordable for a media outlet), then they can have unrestricted access to international news through satellite channels. Western print media are accessible through subscription, libraries, certain coffee shops, or major bookstores, but these publications are prohibitively expensive for most of the population.

Panelists were unanimous in their belief that public media are partisan. Public media editors also practice self-censorship, making it very difficult and sometimes impossible to serve the public interest. Public media produce educational and cultural programming, but the quality and volume of such content is a matter of dispute.

There are approximately 10 news agencies that mostly provide general news but no specialized coverage of business, sports, or other areas. While independent media cautiously make use of the information provided by these news agencies, most outlets depend on their own news- and information-gathering resources.

"Lately we have terminated our cooperation with a news agency because the information they provide is of no interest to our audience. Today there are no specialized news agencies that could provide us with the news we need for our audience," said Shushan Arevshatyan, director of Radio Van. Roughly 30 percent of the radio stations (AM and FM) produce their own news. FM stations air mostly local events.

Most panelists agreed that media ownership is transparent, and most of the population is aware of who owns the major media outlets. The panelists also agreed that this knowledge does affect the way information is perceived. "If H1 Public TV says something positive about the opposition, everyone understands that there is something behind it. If Ayb-fe

(A1+ TV's weekly newspaper) says something positive about the authorities, everyone understands that something is wrong," said Petros Khazaryan.

National minority issues are covered by the media, but more so by print and radio than by television. Most panelists agreed that the tolerance toward national minorities is high, and journalists covering these communities are not pressured in any way. There are examples of whole pages being dedicated to national minority issues. Sara Petrosyan even reported on debates between two minority groups. Minority-

language information sources exist, and they are legal. Examples include *Rya Taza* (New Way), a Kurdish weekly that has published since 1930. There are also 30-minute daily Kurdish and Yezidi broadcasts by public radio. Many dailies, weeklies, and other periodicals, as well as radio and television news programs, are available in Russian. Newspapers are accessible to all citizens and can be obtained through subscriptions. Tolerance is low for other minorities, such as sexual and faith minorities, and panelists agreed that the population appears not yet ready for such discussions.

"If H1 Public TV says something positive about the opposition, everyone understands that there is something behind it. If Ayb-fe (A1+ TV's weekly newspaper) says something positive about the authorities, everyone understands that something is wrong," recounted Petros Khazaryan.

OBJECTIVE 4: BUSINESS MANAGEMENT

Armenia Objective Score: 1.34 / 4.00

Aside from circulation revenues, print media largely depend on one source of revenue, either advertising for independent publications or financial subsidies.

Many panelists said that the largest press distribution system, Haymamul (inherited from the Soviet era), does not function efficiently, is delinquent on payments, and allocates newspapers inefficiently. While there are smaller alternative distributors, print outlets that aim to reach as many readers as possible cannot do without the largest distributor. The distribution of broadcast content can also be considered a monopoly since broadcasting must go through the state-run television tower.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

In contrast, printing houses are considered profit-generating businesses. They are now abundant, mainly private, and provide a genuine choice for print outlets and an improving quality of service. Newsprint providers are also mostly private, but these products are imported from countries that do not border Armenia. Therefore, newsprint must go through several customs checks, inflating the price.

Multiple sources of revenue are available for independent broadcast media, aside from various forms

“Ratings have been ignored because those performing the research adapt the results to their ‘associated’ companies. Therefore, the big advertisers distrust their ratings,” said Levon Barseghyan.

of advertising provided by commercial, political, and disguised commercial or political groups. Revenue comes from the production of video films and video clips, renting out or repairing

equipment, and the production of programs for international partners.

In most cases, revenue sources affect programming content. There is no credible ratings system, while most

advertisers pay for the programming that corresponds to their own taste and audience. Outlets keep certain programs on the air regardless of true audience demand if advertisers are willing to pay for it. For outlets whose primary purpose is not to become a sustainable, for-profit business, content can at times be ridiculous. Panelists offered as an example the rerun of a live morning program after midnight, saying these outlets simply fill their broadcasting schedule with any kind of programming they can find.

The advertising market remains underdeveloped at approximately \$2 million to \$3 million and cannot boost the media market to a sustainable level. There are a number of advertising agencies, but most are not full service. Advertising capabilities are still underused because of the lack of proper training and education. To date, only a few educational institutions teach advertising—and not necessarily well.

Overall, advertising revenues for broadcast media can range from 20 percent up to 90 percent of their total budget, depending on ownership. Print media revenues can range from 10 to 30 percent since their main revenue streams come from subscriptions and circulation. There was little discussion of advertising revenue as a percentage of the total revenue; all panelists agreed that advertising revenue, with the exception of a few outlets, is not in line with accepted international standards. The divergence is more clearly observed with print media.

Most outlets rely on their own in-house advertising departments. They seldom use advertising agencies in any way. In contrast, agencies prefer to work with broadcast media because of the higher volume of business. State regulations allow for no more than 10 minutes of advertising within any given hour (16 percent), and the interval between advertising blocks must be no fewer than 20 minutes. In reality, advertising minutes can consist of anywhere from 20 to 35 percent of prime-time programming hours. It is the National Commission on Television and Radio’s responsibility to enforce this regulation, but the enforcement is selective due to the number of outlets and, panelists said, the inclination to ignore certain violations.

Independent media do receive government subsidies, but they are arbitrary and not substantial. Such subsidies are “just enough to pay the electricity bills,” said one panelist from a regional outlet.

There have been few reliable market-research studies, and for the most part the existing data are subjective and do not reflect reality. Most research is tailored to serve as advertising and public-relations tools

rather than as an aid in formulating strategic plans for better performance. Furthermore, rating systems are underdeveloped in Armenia. "Ratings have been ignored because those performing the research adapt the results to their 'associated' companies. Therefore, the big advertisers distrust their ratings," said Levon Barseghyan, an editor and journalists' club chairman. This attitude holds for circulation figures as well, which panelists said might be overstated by at least 30 percent to impress and attract advertisers.

OBJECTIVE 5: SUPPORTING INSTITUTIONS
Armenia Objective Score: 1.94 / 4.00

Panelists agreed that there are no functioning trade associations that unite print and/or broadcast media. It was not until 2001 that the law governing nongovernmental organizations (NGOs) allowed legal entities to unite. Today unions are emerging, but they are in an embryonic state.

About 10 professional associations have been founded to support journalists and protect their rights, but their professional quality and efficacy are a different matter. Among the most active are the Association of Investigative Journalists, Asparez Journalists' Club, Yerevan Press Club, and Journalists Union of Armenia. The fact that such associations exist was viewed as

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

a positive sign for future development. However, panelists did not agree on whether these associations succeed in creating a positive image of journalists.

NGOs that support independent media exist. Their activities include judicial assistance to media outlets (both in the capital and in the

regions) that find themselves in litigation with other legal entities or government bodies. NGOs are also involved in drafting legislative amendments, and in some cases they have had positive results. Commenting on their contribution to an amendment, Mesrop Harutyunyan of the Yerevan Press Club said, "Today the Mass Media Law is so liberal that one can say that we do not have a Mass Media Law." A number of NGOs have also contributed to the formation of the Freedom of Information Law, which is considered somewhat progressive.

The quality of journalism degree programs is very low, panelists agreed. "Today we have about 10 well-paid positions for reporters. But there are hardly any well-trained reporters," said Petros Khazaryan, Kentron TV president. The main reason for this is that there are no journalism schools that meet international standards even though almost all existing universities have a journalism department. The degrees being offered have little

to do with today's practical needs, existing journalism standards, or journalism in general. "A girl who had graduated magna cum laude from a department of journalism applied to us and was asked who the Secretary General of the UN is. She replied 'Putin,'" said Mesrop Movsisyan. Shushan Arevshatyan, Radio Van director, recommended that media select potential reporters and send them abroad to study.

"Today the Mass Media Law is so liberal that one can say that we do not have a Mass Media Law," said Mesrop Harutyunyan.

"Today we have about 10 well-paid positions for reporters. But there are hardly any well-trained reporters," noted Petros Khazaryan.

Panel Participants

Nver Mnatsakanyan, news anchor, journalist, Shant TV, Yerevan

Petros Khazaryan, president, Kentron TV, Yerevan

Narine Avetisyan, executive director, Lori TV, Vanadzor

Aghasi Abrahamyan, chief editor, *Kumayri* newspaper, Gyumri

Karen Arshakyan, director, Fortuna TV, Stepanavan

Shushan Arevshatyan, director, Radio Van, Yerevan

Mariam Badalyan, reporter, Armenianow online media, Yerevan

Mesrop Movsisyan, founder, director, A1+ TV, Yerevan

Anahit Harutyunyan, editor-in-chief, *Ditord* magazine, Yerevan

Sara Petrosyan, reporter, Association of Investigative Journalists, Yerevan

Mesrop Harutyunyan, expert, Yerevan Press Club, Yerevan

Levon Barseghyan, founder/chairman, Asparez Journalists' Club, chief editor, *Gyumri-Asparez* monthly, Gyumri

Moderator

Artashes Parsadanyan, Deputy Chief of Party/Media Development Division, IREX Core Media Support Program, Yerevan

Observer

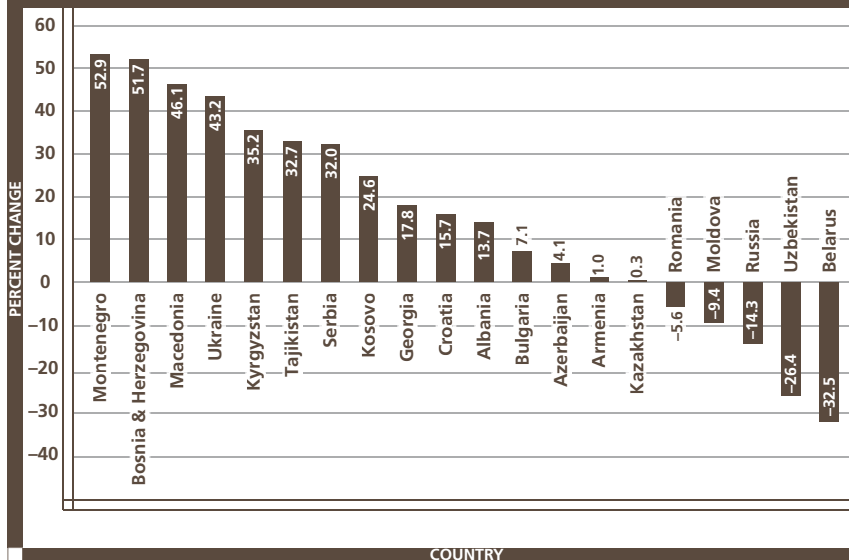
Lilit Voskanyan, project management specialist, USAID, Yerevan

ARMENIA AT A GLANCE

GENERAL

- **Population:** 3.1 million
- **Capital city:** Yerevan
- **Ethnic groups (% of population):** Armenians 97%, Yezidis 1.3%, Russians 0.5%, Assyrians 0.11%, Kurds 0.05%, Greeks 0.04%, other 0.3%
- **Religions (% of population):** Armenian Apostolic 94%, other 6%
- **Languages (% of population):** Eastern Armenian (official language) 96%, Russian 2%, other 2%
- **GDP:** US\$2.8 billion; GDP Growth: 13.9%
- **GNI per capita (Atlas method):** \$950; GDP per capita: \$420
- **Literacy rate (% of population):** 98.3% for age 15 and above
- **President or top authority:** President Robert Kocharyan
- **Next scheduled elections:** 2007

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



MEDIA-SPECIFIC

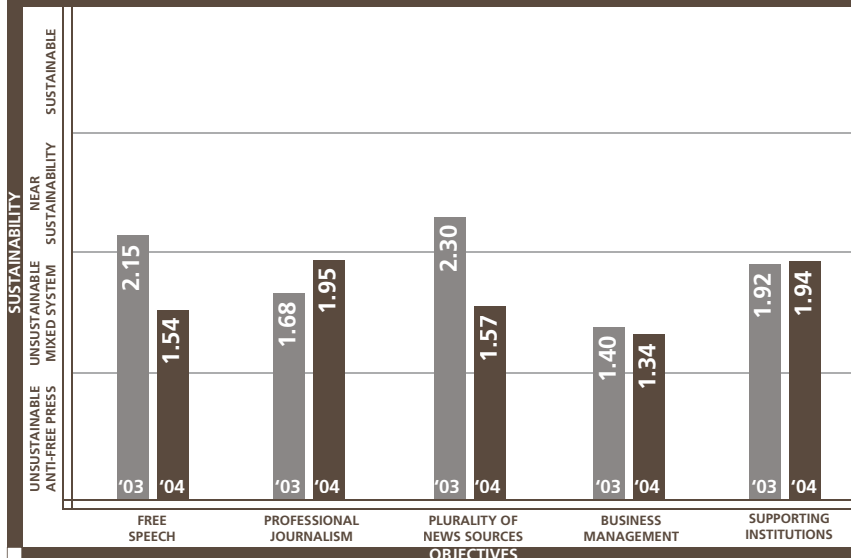
- **Newspaper circulation statistics (total circulation and largest paper):** Maximum circulation is 9,000 copies. The average real circulation for most popular newspapers is 3,000 to 4,000.
- **Broadcast ratings (top three ranked stations):** NA
- **Number of print outlets, radio stations, television stations:** There are 58 print outlets and 10 radion stations. There are 18 local television stations in Yerevan, with a total of 31 in the regions.

- **Number of Internet users:** 50,000
- **Names of news agencies:** Armenpress, Noyan Tapan, Arka, Arminfo, Mediamax, Photolur, New Image, Spyr

SOURCES:

- *World Development Indicators (WDI) August 2004*
- *European Commission against Racism and Intolerance (ECRI) Report on Armenia*
- *UNDP Human Development Report*
- *United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics*

MEDIA SUSTAINABILITY INDEX: ARMENIA



GIVEN THE ONGOING INFLUENCE OF THE GOVERNMENT AND RULING CIRCLES ON THE MEDIA, BOTH IN TERMS OF CONTENT AND BUSINESS PRACTICES, AND THE LIMITED PROTECTION AFFORDED IN PRACTICE BY AZERBAIJAN'S MEDIA LAWS, THE 2004 MSI PANEL ASSESSED THE MEDIA ENVIRONMENT AS STATIC DURING THE YEAR.





The ruling powers in Azerbaijan spent 2004 concentrating authority around the new president, Ilham Aliyev, who had taken over the office the previous year after the death of his father. Although the 2003 election was considered rife with irregularities by international observers, it left the Aliyev family's New Azerbaijani Party (YAP) firmly in control. The president appears as something of a shadow of his father and has surrounded himself with his parents' clique. Ramiz Mehdiyev, the head of the presidential apparatus, wields significant power, and although he does have some opposition, most Cabinet members answer directly to him. The opposition parties are so fragmented that they carry very little political influence.

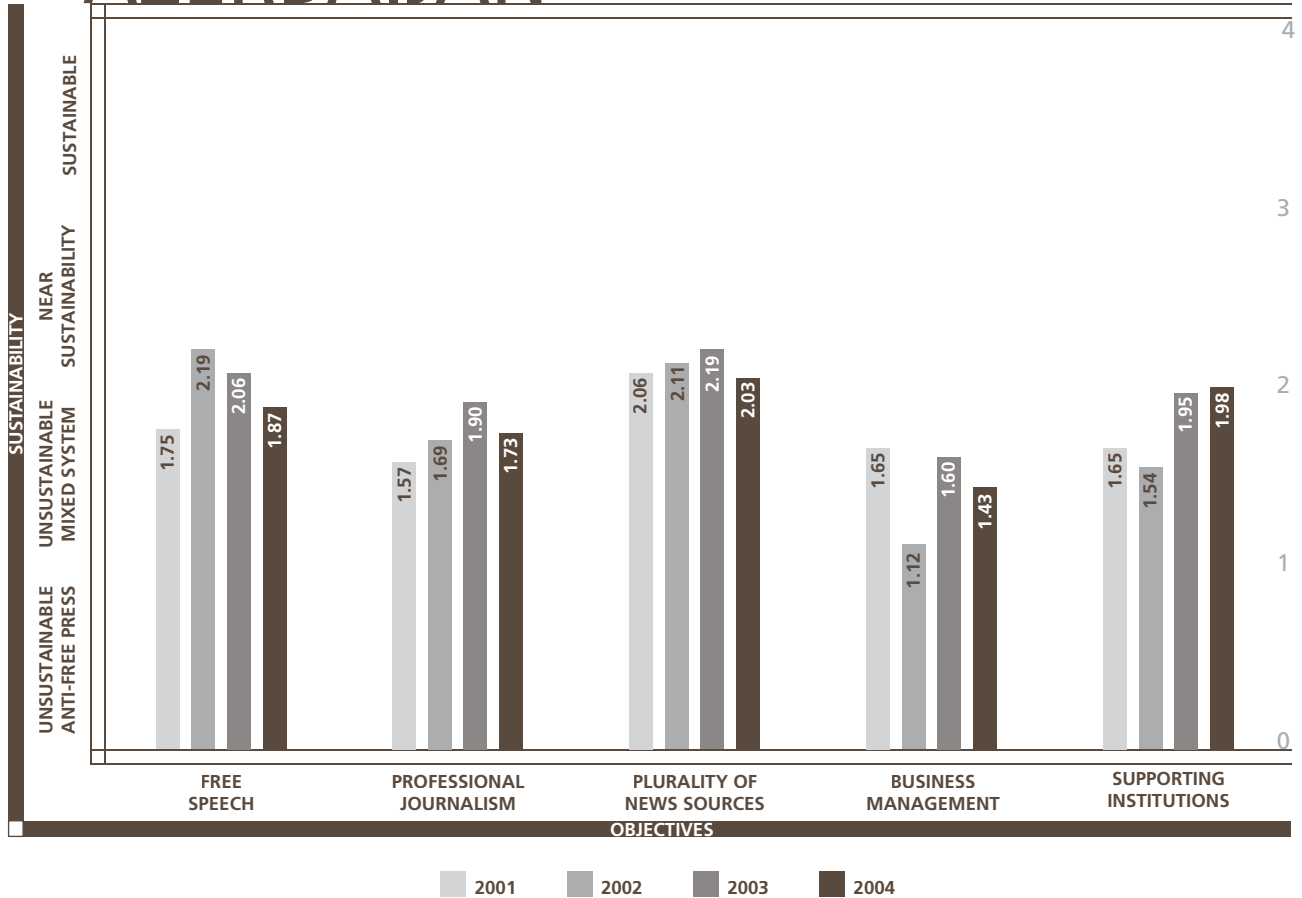
Those in power appear to be awaiting the flow of cash from the country's oil reserves. The anticipated windfall of \$68 billion will begin with the completion of the Baku-Tbilisi-Ceyhan (BTC) pipeline carrying oil from the Caspian Sea to the Mediterranean, supposedly by the end of 2005. The government has yet to announce how the country will benefit from the oil money, and while some Azerbaijanis are hoping for jobs, many of them are resigned to the richer getting richer and the poor remaining that way.

The media in Azerbaijan operate in a difficult environment, particularly vis-à-vis the government. According to one ranking official, the government regards the opposition press essentially as traitors and the organizations that fund them as agitators.¹ Members of the opposition print organizations are reprimanded and harassed, and sometimes beaten or jailed. For example, the Ministry of Defense detained a reporter from one of the opposition papers who wrote a story about the poor conditions at the military barracks at a border fortification. When the journalist refused to retract the story, he was taken bodily to meet with the commandant of the fort and held for several hours until he wrote an apology.

¹ Ali M. Hasanov, head of the government's Social-Political Department, in an interview with the IREX media-support program chief of party and USAID on September 23, 2004

MEDIA SUSTAINABILITY INDEX

AZERBAIJAN



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The electronic media, where most Azerbaijanis get their news, voice no critical or controversial viewpoints because, at least in the capital city of Baku, all of the television stations are controlled directly by members of the current government, members of their families, or ardent supporters. According to various sources and the 2004 Media Sustainability Index (MSI) panel, Lider TV is owned by Adalat Aliyev, cousin of the president; ANS TV is owned by Vahid Mustafayev, a supporter of the government in the 2003 elections; Space TV is owned by Sevi Aliyev, the president's sister; and ATV was founded by the wife of Ali Hasanov, head of the Social-Political Department of the government. In addition, there are two state-owned channels, AZTV1 and AZTV2.

Data provided by Arif Aliyev, chairman of the journalist organization Yeni Nesil, show that 130 regular news publications—either dailies or weeklies—are available to the Azerbaijani public. The Yeni Nesil report states that 98 (75.4 percent) are either government published or pro-government in their editorial policy; 22 (16.9 percent) are opposition, and only 10 (7.7 percent) could be considered independent.

The broadcast community is also limited in its ability to provide independent coverage. In addition to the main outlets in the capital being largely under the influence of the ruling party, regional broadcasters have limited their approach to allowing criticism of anything government related. Regional stations have the additional hardship of operating under the scrutiny of the unelected Executive Committees (EXCOM), which by some measure is the real government for their areas. The EXCOM members are appointed by the federal government and have unofficial oversight for everything that happens within a district, including the media. For example, the EXCOM turned down a broadcast-license application made by the Center for Independent Journalists in Ganja without providing any justification from the regulatory statutes, according to the center, which provides training for regional journalists.

There are nine television stations in the regions and one that is transitioning from a state to a private channel. These outlets, in addition to the four in the capital city, have another major problem: None of them has a license to broadcast. According to the current law, broadcasters are not required to obtain licenses. Although lawmakers agree that this loophole was overlooked by mistake in the presidential decree on businesses that requires licenses, they have yet to rectify the situation. The result is the lurking threat that any broadcaster can be closed for any reason on the grounds that it has no license to operate.

Given the ongoing influence of the government and ruling circles on the media, both in terms of content and business practices, and the limited protection afforded in practice by Azerbaijan's media laws, the 2004 MSI panel assessed the media environment as static during the year.

OBJECTIVE 1: FREE SPEECH

Azerbaijan Objective Score: 1.87 / 4.00

Media legislation in Azerbaijan provides for freedom-of-speech protections. However, members of the 2004 MSI panel agreed that, as in many one-time Soviet countries, such laws lack effective implementation. Publishers theoretically can print anything they like, but the consequences for doing so can be severe. For example, two newspapers, *Yeni Musavat* and *Monitor*, have received fines totaling more than a quarter of a million dollars because of articles they have printed. One concerns the medical condition of the former president, Heydar Aliyev, and the other names the

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

brother of the former president as the controlling power at the main company that runs petrol stations in Azerbaijan.

One MSI panelist explained that judging whether legal and social protections of free speech “exist and are enforced” is critical. “The law and its implementation are united. If the existence of the law was presented separately, it could be scored as a 3.5 (out of 4). But the implementation brings the score equal to 0.”

“The law and its implementation are united. If the existence of the law was presented separately, it could be scored as a 3.5 (out of 4). But the implementation brings the score equal to 0.”

In 2002, there were very significant changes in the licensing procedures and requirements for businesses in Azerbaijan. The president at the time, Heydar Aliyev, issued a decree reducing

the number of businesses that needed licenses. Broadcasters were inexplicably missing from that list of those requiring a license, and all broadcasting licenses were rescinded because they were no longer deemed relevant. In the two years since the omission, no legislation has provided for licensing. Therefore, radio and television operators are airing programming without legal protection or regulation and are subject to government shutdown at any time.

With no official licensing procedure for the broadcast media, it is possible that new outlets cannot register

“Since the government will not give us any information, we are forced to add our speculation to the rumors we hear,” explained Gabil Abbasoglu.

unless they have political connections. This has yet to be proven since there have been no new broadcasters on the air since the 2002 decree. Avant Garde TV began airing rebroadcasts from

the Russian state broadcaster ORT after 2002, but this station inserts only commercials and no content in Azerbaijan.

At the recommendation of the Council of Europe in relation to Azerbaijan’s accession in 2001, the Azerbaijani government created an agency to oversee broadcasting. The National Television and Broadcasting

Council was formed at the end of 2002 and was tasked with providing rules and regulations for the broadcasters. Among its duties is to validate media programming to ensure that pornography is not aired, to see that citizens’ rights are not violated, and to conduct surveys. The unit is supposed to consist of nine members from various sectors, all named by the president’s office. To date, however, only six have been nominated, the panel has functioned with vacancies, and there has been no indication that the chairman plans to fill the remaining seats. The council can neither impose fees, a function under the control of the Ministerial Council, nor issue licenses.

As a requirement of the Council of Europe, Azerbaijan is converting part of the state broadcast system into public broadcasting. Currently, two television stations operate in the state system. AZTV1 is headquartered in a large complex with 2,000 employees, new equipment, and transmission that reaches the entire country. AZTV2, however, has two rooms, 20 employees, old equipment, and a limited signal. When the Council of Europe made the creation of public television a condition for Azerbaijan’s accession, the government provided AZTV2 with \$1 million but allocated \$14 million to AZTV1.

There are 1,750 registered publications in Azerbaijan, 311 of them registered since the beginning of 2004. Anyone can produce a newspaper, and many people do, including political parties, businesses, and even official government organs. Individuals and groups need only register to join the print media.

Newsprint is a favored commodity, as there is no official import tariff. According to critics familiar with the media industry, however, even though paper arrives free of taxes, the State Customs Committee does ask printing houses to contribute \$200 per truckload to a “special fund.” These critics say that if an outlet chooses not to pay, the publication might not get its supply of paper.

There was no action in 2004 on the assaults of journalists after the October 2003 election results were announced. Videos and photos of the journalists being beaten showed that many of the assaulted journalists wore their press badges. Prosecutions took place, but the plaintiffs were the police who claimed that they were the ones being attacked. No journalist was actually charged, but the charges against the police suddenly vanished from the court dockets. There were 125 people brought to trial after the melee, seven of whom could be considered leaders of the opposition, and scores still are imprisoned, the seven among them. Media have complained that journalists are kidnapped,

threatened, and sometimes beaten, but to date, no charges have been filed against any suspects.

Libel, defamation, and slander all remain within the realm of the penal code in Azerbaijan. Fines are heavy and used to stifle the opposition. Defamation of the president can result in a huge fine and up to seven years in prison. In contrast, slander of an ordinary citizen means two to five years in jail. Meanwhile, courts are unable to determine a clear definition for slander, defamation, or libel, so appealing a judicial decision is ineffective.

Favoritism does exist within Azerbaijan's media sector. A major news agency and the editor of the most widely read newspaper in Azerbaijan complained that their staffs were removed from the pool of journalists who had access to government meetings. This was reported first after the 2003 elections, and the door remained closed throughout 2004. Meanwhile, pro-government newspapers had full access to the same meetings. The same holds true for the Baku-based television stations, as they tape images of Cabinet meetings.

Freedom of information in Azerbaijan is provided for in the Constitution and in media legislation. Unfortunately, government officials are lax in supplying citizens and journalists with requested information. According to the law, all requests for information must be in writing, and answers must be provided within one month. This one-month threshold thwarts the media's ability to report certain information in a timely matter. But even when background information is required for longer-range projects, it is a rare occurrence when information is provided within the period or at all. Even though the media have the right to sue if the information provider defaults, only one case has ever been brought to the Azerbaijani court system. In this case, the courts ruled that the journalist had erred (although no specific reason was given) and threw out the case.

The implications for fact-based reporting are clear. In an interview with one of the mostly widely read opposition newspapers, *Yeni Musavat*, IREX was told: "Since the government will not give us any information, we are forced to add our speculation to the rumors we hear."²

The Azerbaijani government allows anyone to become a journalist. That does not mean that everyone who carries a press card is a reporter, however. Industry experts say there have been nearly 5,000 sets of press credentials issued, but fewer than 3,000 people are actually employed in the industry.

² From a meeting with Gabil Abbasoglu, editor of *Yeni Musavat*, on September 24, 2004

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Azerbaijan Objective Score: 1.73 / 4.00

A variety of mechanisms control the quality of the information that the media provide to Azerbaijanis. The government is selective when providing information, the publishers have an agenda, the editors exert their selective views, and the reporters often seek supplementary payment for the articles they write. Journalists' organizations have established a code of ethics, but it is largely ignored—the justification being that journalists are paid poorly and must survive by reporting any way they can.

Sourcing is a problem, especially when the government provides the information. Official spokespersons have yet to learn their craft. They often read from a release prepared by someone else at press conferences and then generally try to avoid answering questions. For their part, reporters in Azerbaijan all too often accept what information they receive without asking many questions.

Self-censorship is endemic to most of the Azerbaijani media. Most broadcast owners, especially those in Baku, are related to government officials or are staunch supporters. Newspapers either support the government or are opposed to it. Independent reporting

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

continues to be an elusive goal, with only a handful of outlets producing objective reporting.

The regional broadcasters have several problems that lead to self-censorship. First, they are operating without a license. Second, most are housed in buildings provided by the local Executive Committee. Dunya TV, in Sumgait, for example, is quartered in the State Theater in that city; Gubt TV, in Guba, is in the central library in that city. Third, the EXCOM often metes out harsher punishments than the central government. For example, the publisher of *Janub Khabarlari* was evicted from his office and had his life threatened after publishing an article from an uncorroborated source that accused one of the parliament members of being a drug lord.

The Baku-based broadcasters air very little informational programming. Most schedules consist

of music videos, pirated movies, and cartoons. There are prime-time talk shows that offer opinions on current issues, but for the most part they reflect the government's position. Most stations broadcast informational programs during the off hours, usually around midnight, other than the news

Technical capacity varies widely among outlets in Baku and the regional cities. The Baku broadcasters have the equipment necessary to gather, edit, and transmit news. MSI panel members said the main problem is that these stations have a difficult time recognizing what news is, and how to present it professionally.

programs in the capital city, which are broadcast between 8 pm and 9:30 pm.

Technical capacity varies widely among outlets in Baku and the regional cities. The Baku broadcasters have the equipment necessary to gather, edit, and transmit news. MSI panel members said the main problem is that these stations have a difficult time recognizing what news is, and how to present it professionally. The regional stations lack the financial capability to secure up-to-date equipment, although the media-support organization Internews has helped regional stations by providing them with basic equipment.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Azerbaijan Objective Score: 2.03 / 4.00

The primary source of information in Azerbaijan is television. Newspapers are a secondary source, as evidenced by the decreasing circulation of dailies. The publishers blame poor circulation on the declining economy. However, MSI panelists noted that many people in Baku appear to have enough disposable income and may be indicating instead that the newspapers have failed to provide the information they want to read. The average cost of a daily newspaper is 22 cents, an expense well within the means of many Azerbaijanis. The country's population is nearly 8 million people, but one study estimates total daily newspaper circulation at less than 50,000.³

There are four national television stations, including state broadcaster AZTV. All of these outlets are based in Baku and have a news segment. Regional stations include those in Sumgait, Ganja, Guba, Tovuz, Zagatala, Mingechivir, and Lenkeran. While these outlets struggle to survive, they do present local news for their viewers.

³ "Election, Power, Media" published 2004 by FOJO (sponsored by SWEDA)

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Most prepare their own program, but some (such as Alternative TV, in Ganja) rely upon the Center for Independent Journalists, a professional organization for regional journalists.

As noted, many of the main Baku stations are owned by relatives, friends, and supporters of the president. Media ownership is not subjected to rigorous transparency requirements, but the public is well aware of who owns what.

The government has its own news agency, AzerTaj. Independent of that are Turan, Trend, Azadinform, Sharg, Interfax-Azerbaijan, Olyar, and MPA. However, the prices for a news agency's services are prohibitive for most regional stations, and there is also the problem of distribution in a country where an Internet connection is so costly.

Internet access is limited to the major cities, and there are numerous Internet cafés in Baku. Because connections are expensive and slow, few regional stations have the financial resources to maintain regular access.

Satellite dishes are ubiquitous throughout the capital city. Satellite broadcasts consist of Turkish, Russian, and Iranian programming. ORT and RTR are broadcast terrestrially, providing Russian-language programming. Six daily newspapers also publish in Russian.

OBJECTIVE 4: BUSINESS MANAGEMENT

Azerbaijan Objective Score: 1.43 / 4.00

Media outlets are difficult to view as businesses in Azerbaijan. The general director of one of the major national broadcasters declared that the advertising market for television for all of Azerbaijan was \$3 million. He explained that he was quite happy garnering 20 percent of the market, and his numbers were substantiated by the sales director. However, advertising agencies placed the size of the ad market at closer to \$16 million for television alone.

Only one or two newspapers in Azerbaijan could survive without outside financial support, which is mostly provided by the government or the opposition parties. Advertisers tend to ignore the opposition press for fear of offending the government.

A local company conducts television ratings on a regular schedule, but each of the broadcasters on the MSI panel suspected that the organization falsified the data.

Advertising agencies also made this claim, but the

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

ratings currently are the only means of gauging the audience.

Television advertising is sold by volume and not through media planning. Media salespeople do not know how to use ratings data to maximize the effect for their clients. According to advertising agencies, salespeople can offer deep discounts off the rate card—often as much as 50 percent.

Self-censorship is also motivated by business interests, which are often more insidious than

ANS TV had been regarded as a source of relatively unbiased news that was neither uniformly supportive nor critical of government policy. However, MSI panelists noted that before the 2003 elections, the ANS organization began to enter into other business sectors, such as publishing, fine jewelry, and recording. As the company diversified, the station's editorial policy changed to one of open support for the government.

any restrictions imposed by the government. ANS TV had been regarded as a source of relatively unbiased news that was neither uniformly supportive nor critical of government policy. However, MSI panelists noted that before the 2003 elections, the ANS organization began to enter into other business sectors, such as publishing, fine jewelry, and recording. As the company diversified, the station's editorial policy changed to one of open support for the government. Although the editorial policy was not changed by direct order of the government, MSI panelists suggested that it did behoove the Mustafayev family, owners of the station, to soften government criticism.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Azerbaijan Objective Score: 1.98 / 4.00

The most vocal of the media-support groups for the journalists of Azerbaijan is the Media Rights Institute. Now independent of the international donor organization that founded it, this organization has openly criticized the government's lack of communication with the media. MRI has championed

Journalism education falls under the auspices of the Baku State University, but MSI panelists rate the curriculum and the instruction very poorly.

developing legislation that would create public television and has provided advice on pending media legislation. Two other nongovernmental organizations, Yeni Nesil (New

Generation) and the RUH Committee, promote the rights of media professionals through discussions and occasional presentations to parliament.

Until recently there were two press clubs in Baku. One, the International Press Club, was founded with backing and financial support from Ali Hasanov, head of the socio-political department at the office of President Aliyev. The second, the Baku Press Club, chaired by Arif Aliyev (no relation to the president), floundered because of financial mismanagement and was forced to close.

Aflatun Amashov is the chairman of the Press Council, theoretically a forum for the journalism community but one where, once again, the hand of the government can be seen. Hasanov also played a significant role in establishing the Press Council, according to the MSI panel. The council's ruling body is made up of a representative from each publication, and with the governmental

newspapers far outnumbering either those in opposition or the few that are independent, decisions are heavily weighted in favor of the government.

The international media-support organization Internews provides journalism training. Other organizations, including the British Council, the BBC, and the US Embassy, have been active in supporting professional development programs. The Center for Independent Journalists in Ganja, a training center for regional journalists, receives program-development support from IREX.

Journalism education falls under the auspices of the Baku State University, but MSI panelists rate the curriculum and the instruction very poorly. Several other institutions provide journalism education in the regions and in Baku, and it is estimated that there are currently 3,900 students matriculating with an eye toward a career in journalism.

The two main distributors of print material, Qasid and Azermetbuatayimi, remain government controlled. There are several private distributors, but they are very small. The most prominent among them is the Gaya News Distributing Company. Among the publishers, this organization has the best reputation when it comes to returns and reasonable time for remittance.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Panel Participants

Arif Aliyev, chairman, Yeni Nesil journalist organization

Aslan Khalilov, deputy chairman, Azerbaijan National Television and Radio Council

Ilham Safarov, director, Internews-Azerbaijan

Elchin Shikhlinski, publisher, editor-in-chief, *Zerkalo/ Ayna* newspapers

Rovshan Baghirov, program officer, Open Society Institute

Gabil Abbasoglu, acting editor, *Yeni Musavat*

Jahangir Mamamodli, deputy chairman, Press Council of Azerbaijan, professor, department of journalism, Baku State University

Ramiz Husenov, owner and president, Dunya TV

Sahin Hacıyev, editor-in-chief, Turan News Agency

Khadija Ismailyova, grants manager, IREX/Azerbaijan

Moderator

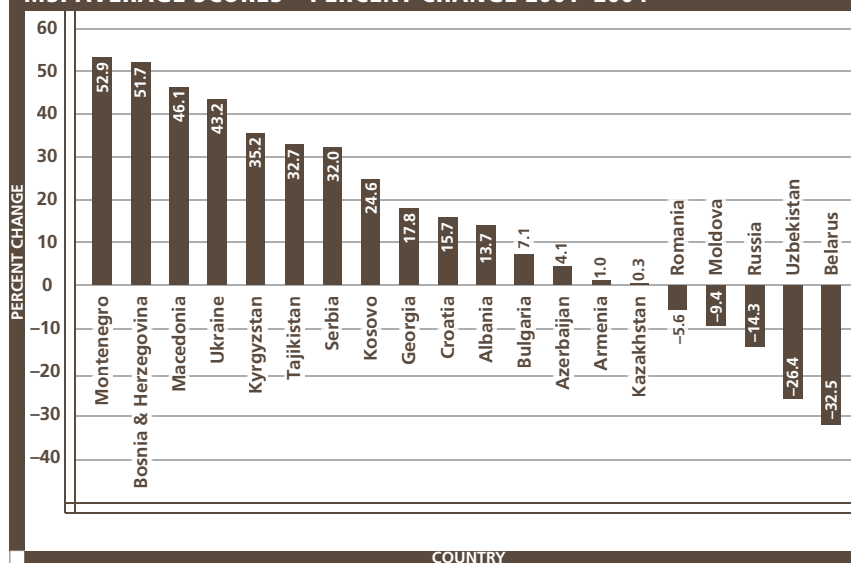
Shahin Abassov, deputy chief of party, IREX/Azerbaijan

AZERBAIJAN AT A GLANCE

GENERAL

- **Population:** 8,239,200 (December 2004) *State Statistics Committee of Azerbaijan*
- **Capital city:** Baku
- **Ethnic groups (% of population):** Azeris 90%, Dagestanis 3.2%, Russians 2.5%, Armenians 2%, other 2.3% *UNDP data*
- **Religions (% of population):** Muslim 93.4%, Russian Orthodox 2.5%, Armenian Orthodox 2.3%, other 1.8% *CIA World Factbook, 2004*
- **Languages (% of population):** Azeri (official language) 89%, Russian 3%, Armenian 2%, other 6% *CIA World Factbook, 2004*
- **GDP:** US\$82.65 billion (2004) *State Statistics Committee of Azerbaijan*
- **GDP/GNI per capita:** \$5,400 (2004) *State Statistics Committee of Azerbaijan*
- **Literacy rate (% of population):** 97% *UNDP data*
- **President or top authority:** President Ilham Aliyev
- **Next scheduled elections:** Parliamentary elections in November 2005; presidential elections in 2008

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



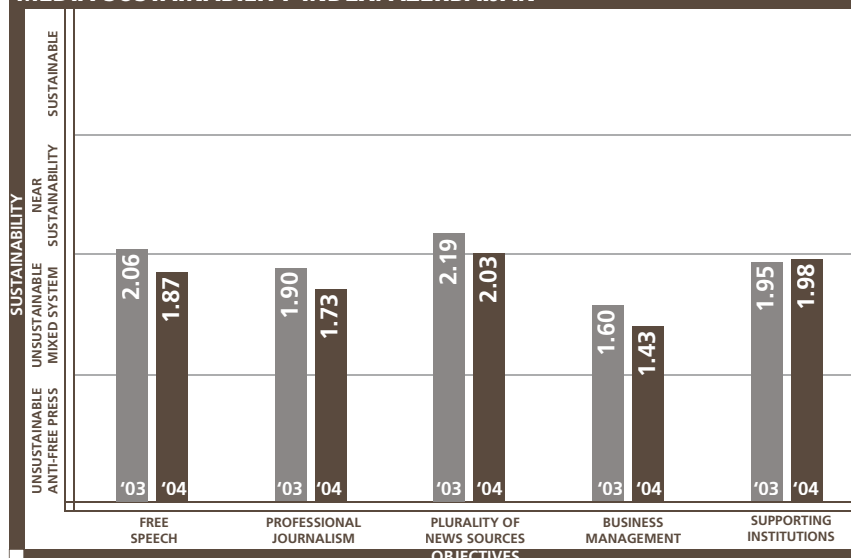
MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** The largest paper is *Yeni Musavat*, with a circulation of 6,000 to 7,000 copies per day. Total circulation is about 4,500,000 copies monthly. *Yeni Nasil Journalist Organization*
- **Broadcast ratings (top three ranked stations):** ANS TV, Lider TV, Space TV
- **Number of print outlets, radio stations, television stations:** More than 130 newspapers are regularly issued. There are 11 radio

stations and 16 television stations. *Yeni Nasil Journalist Organization*

- **Annual advertising revenue in media sector:** More than US\$16 million *IREX/WHAM survey, November 2004*
- **Number of Internet users:** More than 400,000 *CIA World Factbook, 2004*
- **Names of news agencies:** Turan, Trend, AzerTAJ (state-run), Azadinform, Sharg, Interfax-Azerbaijan, Olaylar, MPA

MEDIA SUSTAINABILITY INDEX: AZERBAIJAN



“JOURNALISTS ARE PESSIMISTIC BECAUSE EVEN THOUGH WE HAVE GOOD LEGISLATION, IT IS NOT APPLIED IN PRACTICE AND THE COURTS ARE NOT TRUSTWORTHY,” SAID TAMAR KINTSURASHVILI.



T

The changes made possible by Georgia's Rose Revolution began to unfold during 2004, a year of highly charged politics and significant opportunity for progress, including in media reform. After the November 2003 resignation of President Eduard Shevardnadze, Mikheil Saakashvili was elected in January 2004 with 96 percent of the votes; parliamentary elections followed in March. The head of the autonomous region of Adjara, Aslan Abashidze, refused to recognize the new government and imposed a state of emergency, but political pressure and economic sanctions from Tbilisi as well as mass protests forced him to flee to Russia in May. Central government rule was restored, and elections of the Adjara Supreme Council took place in June.

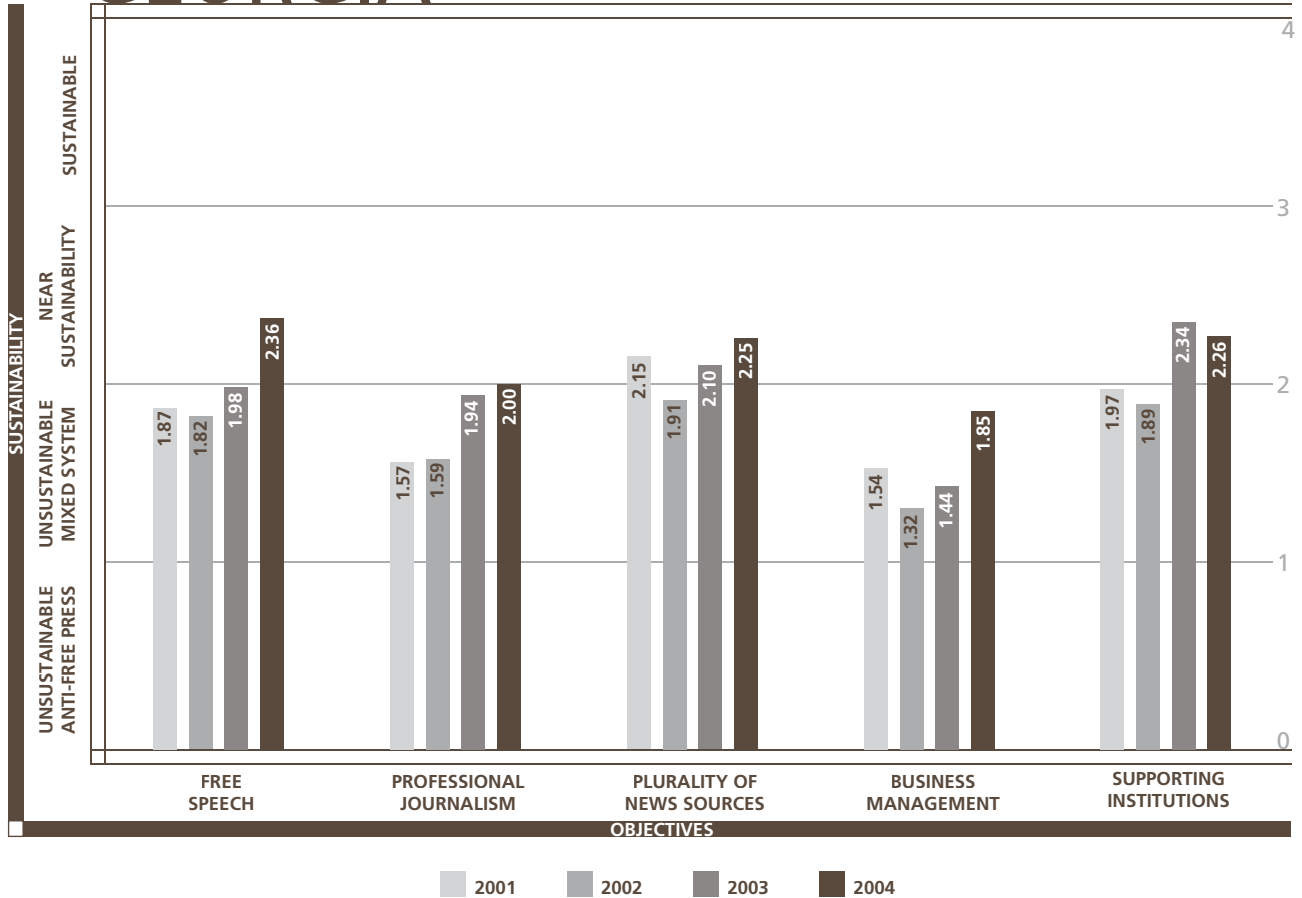
The new government inherited a country torn apart by the ethnic conflict and an impoverished population beleaguered by the rampant corruption. It had to act fast to meet the electorate's high expectations, and fighting corruption became a top priority. Important reforms were initiated, especially in the law-enforcement agencies, the education sector, and the economy. The corrupted traffic police were replaced by a trained patrol force, a draft higher-education law and tax code were submitted to the parliament, privatization of major state enterprises was begun, and the fight against smuggling was intensified.

The Georgian media had played an important role in the Rose Revolution, especially the live coverage of the demonstrations broadcast by the independent television company Rustavi 2. After the revolution, however, the Georgian media largely abandoned their critical approach in the coverage of government activities. Media owners in many cases were allies of those who had come to power, and media professionals appeared to be allowing the new authorities some grace period to present their agenda. Where the previous periods had challenged the media with imperfect legislation and even worse enforcement of free-speech rights, self-censorship became the main plague for Georgian media during 2004.



MEDIA SUSTAINABILITY INDEX

GEORGIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The media landscape changed significantly during the year. The Rustavi 2 television station was acquired by a businessman from Adjara and was awarded a national license, while Channel 25 in Batumi was returned to its legitimate owner after the fall of Abashidze's regime. Channel 9, based in Tbilisi, ceased broadcasting because, its owners said, of lack of profits. After a business group allegedly involved in smuggling tobacco products came under investigation, the Tbilisi-based TV Iberia, owned by the group, stopped producing its own programs. Similarly, the newspaper *Akhali Epoqa* and magazine *Omega*, also owned by the group, stopped publishing. The Lomsia television station from Akhaltsikhe lost its broadcast license when it failed to submit a renewal application to the Georgian National Communications Commission (GNCC). The owners of several media outlets took public office, with the owners of TV 202, TV Odishi, and TV Trialeti becoming members of parliament.

Although significant challenges remain, the 2004 Media Sustainability Index (MSI) panel viewed Georgia's media as moving forward in almost all regards during the year. A major law guaranteeing freedom of speech was adopted, and the new tax code exempting print media from almost all levies was approved by the parliament. Additionally, legislative steps were taken to introduce a public broadcaster, and crimes against journalists have drastically declined. The skills of media professionals continued the slow but steady progress recorded during the past four years, due largely to the international and local organizations providing Georgian media with professional training opportunities. Media consumers, meanwhile, had access to a wider spectrum of opinions delivered through a variety of communication channels. There also was continued improvement in media business management. Foreign investments not linked to political agendas began to flow into the Georgian media market. For example, AGB partnered with a Georgian research company to measure television ratings through people-meters. The only area the MSI panel found had not improved during 2004 were the supporting institutions such as business and professional associations, due to the departure of key leaders who took up government posts.

OBJECTIVE 1: FREE SPEECH

Georgia Objective Score: 2.36 / 4.00

Media legislation improved during 2004, but threats to media freedoms and self-censorship remain problems, according to the MSI panelists.

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Articles 19 and 24 in the Constitution of Georgia of 1995 and the newly adopted Law on Freedom of Speech and Expression from July 2004 guarantee freedom of speech in Georgia. Both legislative acts meet international standards. The Law on Freedom of Speech and Expression superseded the outdated and ineffective 1991 Law on Press and Other Means of Mass Media and introduced a number of guarantees and innovations. For example, the law decriminalized libel in Georgia, and the burden of proof in defamation court cases shifted to the plaintiff. The law provides a clear definition of a fact vs. a value judgment and clearly states that it is impossible to hold people liable for expressing views and judgments. Journalists were released from liability for stories they produce, while editors and owners will bear the responsibility. Also, it became more difficult for public figures, in comparison with private citizens, to sue a journalist for defamation. The panelists agreed, however, that although the legal framework seems to be in place, implementation remains difficult.

Various nongovernmental organizations (NGOs) in Georgia are positioned to protect the rights of journalists and citizens, but although freedom-of-speech violations still take place, outrage is not as virulent as it was. Panelist Irakli Sharabidze, a senior lawyer for Imedi television, suggested that activism has ebbed. "After the Rose Revolution, the people have become temporarily drained of emotions and have become more tolerant," he said.

The Georgian National Communications Commission (GNCC) created in 2000 is responsible for regulating the broadcast sector and issuing broadcasting licenses. Created by the Law on Telecommunications and Post of 1999, the GNCC technically is an independent body with an independent source of income from licensing and regulation fees. However, as the commission members are appointed by the president of Georgia, political independence is difficult to maintain.

"There is not so much discrimination among media outlets themselves as among the means of media. When state agencies wish to call a press conference, they would rather concentrate on television stations. It is not important for them whether newspapers and radio stations participate or not," noted Tamar Chikovani.

A new chairman appointed in June 2004 announced that the GNCC will require all broadcasters to meet the requirements of intellectual property legislation and obtain valid licenses for the products they broadcast. In other action, the GNCC did not renew the license of a regional

television station, Lomsia TV, after it failed to file a timely application requesting an extension. Although the commission had legitimate grounds for revoking the license, panelists noted a double standard: One of the leading television stations, Rustavi 2, which played a significant role in the Rose Revolution, similarly failed to request a license extension yet avoided having its license revoked. The panel members from the broadcasting sector characterized their working relationship with the GNCC and the commission members as generally good. Sharabidze, however, said licensing procedures were a bit vague and questioned the transparency of the evaluation system that uses various sub-commissions to review elements of the application while the entire commission considers the programming proposal.

Another concern regarding licensing was the provision in the draft law on broadcasting under consideration in parliament. According to the draft, a current license would be prolonged automatically for 10 more years provided that a media outlet meets certain legal requirements. After that, for each 10-year period, a competitive renewal process would be announced. Panelists Ramin Meladze, director of Georgian Radio Network (GRN), and Irakli Sharabidze, senior lawyer at TV Imedi, said such a system threatens future potential investments and credit opportunities for broadcasters. They said investors and banks would be unwilling to finance media outlets without guarantees of license renewals after the expiration of 10-year terms and this system therefore would present obstacles to the sustainability of broadcasting businesses.

The new law also would begin transforming the State TV and Radio Corporation into a public broadcaster. The draft allows for up to 30 minutes a day of advertising on the public broadcaster, and panelists expressed concern about the competition with the private broadcasting sector for shares of the advertising market. The public broadcaster specifies it is to be governed by a director and a nine-member board of supervisors, with the president submitting the list of candidates to the parliament for approval. Hence, government influence will be evident, and the board members will most likely be loyal to the authorities.

Georgian print and broadcast outlets are registered in the same way as other legal business entities. Market entry and tax structures are similar to those for other businesses. The print media receive tax breaks through an exemption from 20 percent of the value-added tax (VAT) on printing and distribution. The new Tax Code of Georgia, going into effect in 2005, releases print media from paying any taxes other than income and social taxes, and this significant benefit is expected to bolster development of the sector. The broadcast media lack any tax benefits. Panelists mentioned that broadcasters must pay full tax rates but, unlike other businesses in Georgia, also face licensing and annual regulation fees to the commission. The licensing fee is determined by the GNCC on a case-by-case basis, taking into account specifics of the permit awarded, such as the capacity of the frequency, while the annual regulation fee amounts to 1 percent of a broadcasting company's annual income.

David Kikalishvili, anchor at the television company Rustavi 2 in Tbilisi, noted that the government does not welcome foreign investment in the media industry. Although there are no legislative restrictions in this regard, informal pressure is exerted to prevent foreign investment.

In 2004, many violations of journalists' rights took place in Georgia. However, in comparison with previous years, instances of physical attacks and intimidation sharply declined. Several such cases were reported, nonetheless. Investigative journalist Vakhtang Komakhidze from Rustavi 2 was severely beaten in the Ajaran Autonomous Republic before the collapse of Abashidze's regime there. During the parliamentary elections, journalist Marine Chikhladze from the regional newspaper *Guria News* was beaten by activists of the National Movement in Chokhtauri, and in Lanchkuti, Guria, during the pre-election period, journalist Lado Menabde was threatened and then beaten for writing a story about an MP. This case was not investigated, and no one was prosecuted or punished. Also in Guria, the regional office of the state prosecutor tried to force journalists from *Guria News* to name protestors who were demanding the resignation of the governor during a demonstration. In the Kakheti region, Zurab Kachlishvili, the editor of the Telavi-based newspaper *Obiektivi*, was beaten while writing about the alleged misappropriation of funds from the regional budget. Journalists from the Gurjaani-based newspaper *Spektri* were harassed by local authorities while investigating corruption in the local schools. In August, the transmitter of the Poti-based Ninth Wave TV was vandalized and damaged in an incident the media reported as an attempt to stifle the independent television company.

Courts also acted as instruments of pressure on media. Disciplinary proceedings were initiated by the Liberty Institute, a human-rights organization, against a judge from the Gori regional court who ordered a journalist from the newspaper *Trialeti* to pay damages and apologize for printing a photo of a public figure taken in a public place. According to Georgian legislation, one does not have to ask permission to publish such a photo and an apology is not outlined as a penalty by Georgian law. The same judge refused to satisfy the claim of a regional journalist from *Khalkhis Gazeti*, who was denied public information under a provision no longer in effect. Overall, panelists said, the judicial system in Georgia lacks independence, and the skills of judges and lawyers are not well developed, especially in the regions.

The law does not provide for preferential tax treatment of state-owned media, and, with the expected adoption of the new broadcasting law, state-owned broadcast media will cease to exist. The state TV and Radio Corporation in Tbilisi will be transformed into a public broadcaster, and the state-funded Ajaran TV will be privatized. The government supports only two newspapers, both minority—the Armenian-

language *Vrastan* and the Azeri *Gurjistan*. Some newspapers remain funded by the budget of the Ajaran Autonomous Republic.

Panelists did not note discrimination between state-owned and private media. According to Tamar Chikovani, head of the Radio Free Europe/Radio Liberty Tbilisi bureau, "There is not so much discrimination among media outlets themselves as among the means of media. When state agencies wish to call a press conference, they would rather concentrate on television stations. It is not important for them whether newspapers and radio stations participate or not."

The 2004 adoption of the Law on Freedom of Speech and Expression gave Georgia international standard defamation provisions, with the most

"After the Rose Revolution, the people have become temporarily drained of emotions and have become more tolerant," remarked Irakli Sharabidze.

significant element being the abolishment of criminal liability for defamatory statements. Panelists said an awareness campaign for lawyers, judges, media professionals, NGOs, and other stakeholders now was needed to ensure enforcement.

Georgia maintains a nearly complete set of laws governing access to public information. The freedom of information section of the General administrative code of 1999 is rather progressive and guarantees access to information that is not a state secret. The code specifies that the information shall be made available immediately, if possible, or within a maximum of 10 days if the material must be obtained from another location. However, panelists were in agreement that implementation remains problematic and said it is almost impossible to obtain information at any state agency, especially the law-enforcement agencies.

Journalists, too, are not energetic in challenging refusals. Some are not aware of their rights, and others lack the confidence to file suits to gain access, although human-rights organizations such as the Georgian Young Lawyers Association and the Liberty Institute will provide legal aid in such cases. Journalists also say they often need the information immediately and that challenging the government in court simply does not make sense to them because the material will have lost its importance by the time the case is decided. Panelists said judges and the officials responsible for releasing

information need comprehensive training. They said state agencies should have information organized and available for distribution, and should maintain a website offering data likely to be requested.

The government does not restrict access to international news and news sources. However, the Internet is not readily available in all regions, and many regional media outlets cannot pay for access. Lack of access is partly due to Georgia's difficult landscape, with the cost of establishing Internet connections especially high in mountainous regions.

Anyone can become a journalist in Georgia, and no special licenses are needed to enter the profession. Journalists generally do need accreditation to attend official events. According to the law, government agency meetings are public and can be closed only in certain cases prescribed by law. However, journalists generally are barred from sessions of the central government of Georgia, relegated instead to a special section of the State Chancellery building, where they must wait for interviews until after the session. Regional journalists continue to find it difficult to obtain access or accreditation for specific events.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Georgia Objective Score: 2.00 / 4.00

MSI panelists concluded that the quality of journalism improved in Georgia during 2004, and journalists now acknowledge the importance of professional standards. However, they still lack relevant skills, the code of ethics adopted in 2003 is still not adhered to, and the media council, which could enforce the code, has not yet been established.

According to recent monitoring of the USAID (US Agency for International Development)-assisted media initiated by IREX and conducted by the Georgian

Opinion Research Business International (GORBI) in October 2004, slightly less than one-third of news stories in 15 monitored newspapers

“The standards won’t be applied until a self-regulating institution is established,” said Tamar Kintsurashvili.

presented no viewpoints on an issue at all, 60 percent represented one viewpoint only, and 10 percent showed two viewpoints. Less than 1 percent presented three or more viewpoints. Half the news stories at the

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

four monitored radio stations presented one viewpoint only, while another 45 percent showed no viewpoint at all, and only 5 percent presented two viewpoints. Half the news stories offered by the 16 monitored television stations presented one viewpoint, about a quarter presented two viewpoints, 11 percent had three or more viewpoints, and 17 percent included no viewpoints at all. MSI panelists differed on the merit of a hard rule requiring that all sides in a debate aired in the media be allowed to express their views. Some argued that when one party is clearly conveying chauvinistic ideas, media outlets are not obliged to include them in the discourse.

The panelists noted a slight improvement in journalists' work with sources. Georgian journalists are gradually abandoning the common practice of presenting their personal viewpoints under the guise of anonymous sources. David Kikalishvili from Rustavi 2 TV attributed this improvement to the influence of the market and the audience: "The wide variety of television channels provides a wide variety of information. The audience has a lot to choose from. They don't watch television that lies. They switch to the other channel instead. These market demands, along with the fear of prosecution for lies, forces journalists to verify sources."

In May 2003, media organizations, journalists, and NGOs signed a Code of Ethics. The Liberty Institute, with financial assistance from the Council of Europe

and the European Union, facilitated the process and advocated creation of a Media Council to enforce the code. Two issues outlined in the code raised controversy: The majority of journalists and media outlets did not recognize the need for checking information with at least two independent sources; thus, as a compromise, the code requested that information be cross-checked with an independent source. Also, the provision making a distinction between editorial content and “paid” articles faced fierce resistance. Panelists agreed that much work remains to make application of these standards a common practice, including the need for a Media Council to enforce the code. “The standards won’t be applied until a self-regulating institution is established,” said Tamar Kintsurashvili from the Liberty Institute. In addition, Kikalishvili said, for the standards to be put into practice, there should be public demand for them.

In reviewing ethical lapses by journalists during 2004, panelists mentioned a case in which a Georgian university professor learned about the murder of her grandson from a television news program. The wife of a person who was kidnapped learned about the incident from a reporter at the leading television channel, which showed her shock on its news program. Some newspapers do not make any effort to shield the identities of victims of rape. In addition, panelists said, some journalists, predominantly those employed in the “yellow” press, still write made-to-order articles for payment.

The panel attributed the continuing self-censorship in part to a media that is more tolerant of the new government in the immediate postrevolution period and willing to allow the administration time to achieve results. Panelists also said self-censorship persists because journalists remain fearful about losing their jobs and unsure that they can find new ones if fired. “Journalists are pessimistic because even though we have good legislation, it is not applied in practice and the courts are not trustworthy,” said Kintsurashvili. Journalists do not know or exercise their labor-law rights. For example, they rarely have employment contracts. There are no professional unions or journalists associations, and although the panelists saw this as a shortcoming, they also said that such institutions had discredited themselves during Soviet times. Finally, journalists simply may lack the professional skills and rigor to pursue significant and complex stories, even if their employers do not discourage them.

During 2004, the Georgian government attempted to bar media from covering issues related to state security.

When a state of emergency was declared in the Samachablo region of Ossetia following a government crackdown on smuggling, media outlets experienced significant if indirect pressure from the authorities. The names and the number of Georgian soldiers who died in a battle with Ossetian armed forces were withheld.

A newspaper that did publish the names had to withstand harsh criticism from the government. When the ombudsman tried to direct the authorities’ attention to the problems at the Georgian/Russian border during a live interview by the main state television channel, the transmission was temporarily suspended.

Rustavi 2, which initially agreed to provide the ombudsman with access, later denied the coverage.

A survey of media salary rates conducted by IREX in July 2004 showed a significant variance between those for print and broadcast media. For example, the monthly salary of a newspaper reporter in Tbilisi ranges from \$30 to \$300. The monthly earnings of radio reporters range from \$50 to \$250, and a television reporter earns between \$300 and \$600. In the regions, salaries are much lower. Overall, low wages open the door for corruption and an outflow of professionals from journalism, especially print and regional outlets, to other businesses.

The 2004 GORBI poll showed that people would like to have access to a wider variety of media because newspapers do not provide them with enough interesting articles on diverse issues, and broadcast media do not offer enough high-quality entertainment programs. The survey showed that television and radio stations, in contrast with the newspapers, devoted most of their broadcast time to news. Panelists also agreed that there is enough news and information programming available, and that such programs are definitely not eclipsed by entertainment. The panelists noted, however, that there is growing public demand for entertainment content, such as news of show

“The wide variety of television channels provides a wide variety of information. The audience has a lot to choose from. They don’t watch television that lies. They switch to the other channel instead. These market demands, along with the fear of prosecution for lies, forces journalists to verify sources,” explained David Kikalishvili.

business and sports celebrities, horoscopes, comics, and fashion. "We try to include more entertainment in our newspaper, because our survey showed public demand for it," said Nato Gubeladze, editor-in-chief of the newspaper *P.S.* in Kutaisi.

Panelists expressed satisfaction with the state of technical facilities and equipment available to media outlets in Georgia. "The media are adequately equipped, especially print media, thanks largely to donor assistance. You cannot even compare the quality of contemporary newspapers with the ones published, for instance, three years ago," said Paata Veshapidze, the managing editor of *24 Hours*.

Niche reporting in Georgia remains a challenge. "There is a big problem, especially in the regions, with the shortage of human and financial resources and the lack of education. It would be good to have donors

hold one-month seminars on niche reporting," said Gubeladze. Panelists noted that many organizations offer such seminars, although on a short-term basis, and said they were very useful. They mentioned a recently completed

"The media are adequately equipped, especially print media, thanks largely to donor assistance. You cannot even compare the quality of contemporary newspapers with the ones published, for instance, three years ago," explained Paata Veshapidze.

training for journalists regarding military issues as one good example. But there is a need for more training, panelists agreed. Ia Mamaladze, publisher of the *Guria News* in Chokhatauri, noted that there is now an abundance of thematic publications targeting women, men, automobiles, fans, health issues, and so on. However, the quality of most of these publications is rather low.

Although a range of professional development opportunities are available, editors often do not allow their reporters to attend the trainings. Maia Mikashavidze, Dean of the Caucasus School of Journalism and Media Management, proposed that media-support organizations adjust their programs to better fit the schedules of journalists—for example, shorter morning sessions over a longer period—and other panelists recommended attention to more precise presentations of the purpose of each event and who should participate.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Georgia Objective Score: 2.25 / 4.00

There are no political or legislative restrictions on access to either local or global media. Some larger private media outlets such as Imedi TV, Radio Imedi, and Radio Fortuna cover almost all of Georgia. Rustavi 2 TV covers large parts of the country through local partners that re-transmit its programs. Smaller television and radio stations cover either Tbilisi or selected parts of Georgia. A few newspapers, such as the weekly *Kviris Palitra*, are distributed throughout the country, while most newspapers are sold either in Tbilisi or in other major cities and the villages surrounding them.

According to the October 2004 IREX-supported survey conducted by GORBI in seven cities, including Tbilisi, only 1 percent of those surveyed had no access to television. According to the same poll, 20 percent could access the Internet, although only 4 percent rated their accessibility as high. Two out of five respondents rated the availability of print media as high, and almost half of those surveyed described it as fair. Radio is inaccessible to one-fifth of the respondents.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Although the MSI panel's evaluation of this objective showed improvement during 2004, media access remains worrisome in some regions. Panelist Irakli Machitadze, director of Radio Dzveli Kalaki in Kutaisi, said the Internet and cable television are subject to financial and technical constraints. Despite improvement in power supplies, the regions still experience electricity shortages. Regarding print-media availability, "the major problem is the lack of an efficient distribution system," said Nato Gubeladze, the editor-in-chief of *P.S.* newspaper.

Panelists agreed that the press in Georgia is generally affordable. "The fact that newspapers are sold out and there is a wide variety means that there is demand," said David Kikalishvili from Rustavi 2 TV. According to the panelists, local print media are more popular in the regions than national media and more affordable. The weekly newspaper, *Guria News*, from the Guria region, went from one edition a week to two without decreasing its daily circulation. The newspaper *P.S.* has as many as 200 subscribers in one village of the Imereti region alone. According to Gubeladze, *P.S.* is planning to further increase its circulation.

There are about 20 news agencies in Georgia, and most panelists considered the services they offer to be satisfactory and affordable. "I am especially satisfied with Inter Press," said Gubeladze. "They kept on providing us with the information even when we did not have money to pay for their services." Mamaladze disagreed with the other panelists, noting that the information provided by the local agencies, although affordable, is often outdated and neglects a range of important issues.

The recent in-depth GORBI survey of 18 television stations and five radio stations showed that all the broadcasters, except one radio station, produced their own news. However, the panelists noted that there is little difference among the programs in terms of content and presentation. The panelists also said that the level of objectivity is low, with editorial independence undercut by the need of most media outlets to find support from some business interest group and the continued interwoven relationship between commerce and politics in Georgia. Media professionals at outlets aligned with the government often face dilemmas when trying to report objectively, and tension between owners and editorial teams is not uncommon.

Panelists concluded that despite the improved transparency of media ownership, information gaps still remain, especially in the regions. Information about ownership is clear and accessible via registration papers that can be requested from the courts. However, the

credibility of this information is questioned. According to Kikalishvili, "It's not clear who stands behind the ownership. In the regions the situation is even gloomier." The panelists agreed that many Georgian media outlets, especially in the capital, are backed by business conglomerates and, in lieu of being profitable, serve as shields for their benefactors. However, Sharabidze said increased interest in attaining business sustainability could be detected among media companies.

"The major problem is the lack of an efficient distribution system," said Nato Gubeladze.

State Channel One produces programs in minority languages, and a number of independent media also broadcast minority programming. With support from IREX, television stations Borjomi in Borjomi and Imperia in Akhaltsikhe produce a news program called "Paralleli" that airs in Georgian and Armenian languages. Trialeti TV in Gori produces a daily news program, "Anarekli," in both Georgian and Ossetian languages. The Sagaredjo TV Company Tvali has devised a project on ethnic minorities that includes legal advice in the Azeri language as well as a discussion club. Radio Green Wave has produced radio lessons in Georgian for Armenian minorities and news in Armenian.

For the Azeri- and Ossetian-populated villages, the Lagodekhi radio station Hereti has a Russian

"It's not clear who stands behind the ownership. In the regions the situation is even gloomier," said David Kikalishvili.

news program. In Marneuli, the TV Company Kvemo Kartli translates the state television news program, "Moambe," into Azeri three times a week. The Institute for War and Peace Reporting helped to establish a bilingual (Georgian and Armenian) newspaper in the Samtskhe Javakheti region, and 14 Georgian newspapers throughout the country cover minority issues fairly regularly.

With many minority groups living close together in Georgia, most broadcasters and newspapers are aware that they ought to provide specialized programming to reflect issues of concern to ethnic minorities. The 2004 survey of the USAID-assisted media showed that support from donor organizations is crucial in increasing minority programming, and panelists agreed. According to David Kikalishvili, anchor for TV Rustavi 2 in Tbilisi, none of the commercial television stations produce minority programs at their own

initiative. Smaller broadcasters lack funds, while larger ones do not find this content particularly appealing to advertisers. Panelists said the new public-service broadcaster being created should assume responsibility for such programming. No cases of harassment against journalists due to minority coverage were noted, and minority-language media is available freely.

OBJECTIVE 4: BUSINESS MANAGEMENT
Georgia Objective Score: 1.85 / 4.00

The recent GORBI survey showed that advertising is an important source of income for media outlets, although the majority also named grants as making a significant contribution.

“Our income from advertising exceeds our income from sales and subscription,” said Ia Mamaladze.

All of the radio companies and three-quarters of the 15 print media companies surveyed received aid from donors. Broadcasters also receive revenue

from paid-for programs and renting broadcast time. For print media, income comes from classifieds, paid-for articles, and renting office space. The income of media

outlets increases drastically during election periods, due largely to the abundance of political advertisements and public-service announcements paid for by donors.

During 2004, a year marked by four elections, Internews was the major supplier of PSAs to television stations. Television companies also made a substantial amount of money through sponsored programs, such as those Borjomi TV produced for health spas. Lomsia TV and Imperia TV from Akhaltsikhe and Channel 25 from Batumi offer announcements running on a crawl line at the bottom of the screen. Argo from Zestafoni, the Marneuli branch of Kvemo Kartli TV from Marneuli, and Rioni TV from Kutaisi rent airtime to regional governors for the purposes of relaying public information. Panelists from the broadcast media said they always identify “paid” material to avoid misguiding the audience, especially during election periods. When there is no logo from the broadcast company on the screen, it means that the content being aired is commercial.

Newspapers receive 60 to 80 percent of their income from copy sales and subscriptions. In the regions, *Guria News* represents an exception. It has many classified ads and announcements due to the well-organized and commercially sustainable distribution network built by the newspaper. “Our income from advertising exceeds our income from sales and subscription,” said Mamaladze. All newspapers print paid announcements and run pages that have been sponsored. In Tbilisi, newspapers such as *24 Hours* and *Akhali Versia* rent out whole pages to various government institutions to publish public information.

Panelists explained that renting out equipment is an additional source of income. The largest television stations in Tbilisi are also subsidized by income from their owners’ other business ventures.

There are about 60 advertising agencies in Tbilisi, with approximately 10 industry leaders. Both national and regional media in Georgia have to work with Tbilisi-based advertising agencies. “It is very difficult to find advertising in the regions. Almost all prospective customers are branch offices of Tbilisi-based organizations and businesses, and they are not authorized to engage in negotiations regarding placement of advertising in the regional media,” said Gubeladze. Out of 18 surveyed television stations, only Channel 25 from Batumi appeared to have a contract with an advertising agency. Almost all regional media produce advertisements at the request of local clients who cannot afford the services of the independent production studios.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Some media outlets conduct their own audience research by publishing questionnaires, conducting focus groups, and doing telephone surveys. Others employ independent research companies. However, during the recent GORBI survey, media managers could hardly recall even approximate numbers and had very little information about their audience demographics. Out of the 18 surveyed stations, five (Kvemo Kartli from Rustavi, Mega TV from Khoni, Marneuli Branch of Kvemo Kartli TV from Marneuli, Edelvaisi from Tskaltubo, and Odishi from Zugdidi) have never carried out audience research.

Meanwhile, Radio Hereti from Lagodekhi, Radio Harmonia from Poti, and Green Wave from Tbilisi have researched their audiences. Out of the 15 newspapers surveyed, only six appeared to have full information on their audiences—*Speqtri* and *Kakhetis Khma* from Gurjaani, *Kho Da Ara* from Lanchkhuti, *Newspaper Batumelebi* from Batumi, *Guria News* from Chokhatauri, and *Khvalindeli Dge* from Tbilisi. Panelists noted increased demand for market research in the sector, although they agreed that the research services are not affordable for most media outlets.

The major organizations producing media research in Georgia are IPM-Media, GORBI, and BCG Research. Subcontracted by IREX in 2003, IPM-Media pioneered a continuous television diary panel in Georgia that succeeded in establishing a nationwide ratings system that is consistent with international standards and raised the confidence of advertisers, leading to more investment in advertising. IREX contracted KPMG to assess the validity of the research and its associated methodology through ongoing audits, the first of which in 2004 confirmed that the system complies with established international standards and is providing accurate and credible information. IPM-Media also started a pilot project in 2004 to survey the readership of the major newspapers.

Panelists expressed lingering concerns about the validity of data produced by research organizations, however. Some firms manipulated data during earlier election periods, and panelists felt it is difficult to trust them now. Kikalishvili noted that to obtain reliable data, media outlets may have to commission research from different companies and arrive at conclusions by comparing and contrasting their reports.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Georgia Objective Score: 2.26 / 4.00

MSI panelists provided diverse opinions on the role of media associations in Georgia. The major criticism was that there is not enough coordination in the media sector and little shared vision about the role of the associations. “The associations would be better off if they coordinated more with media and gained more support from them,” said David Kikalishvili, the Rustavi 2 anchor.

“The associations would be better off if they coordinated more with media and gained more support from them,” noted David Kikalishvili.

The associations strive to collect membership fees and other sources

of income. However, because most media outlets are struggling financially, associations still rely heavily on donor support. This year, three major trade associations were housed in a donor-supported Media Center, which provides each association with office space, a shared conference facility, and Internet access.

The Georgian National Association of Broadcasters (GNAB), which was established in September 2002,

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

unites 46 television, radio, and cable broadcasters. GNAB was instrumental in communicating the concerns of the broadcasters regarding the draft law on broadcasting to the parliament and the GNCC. The successful lobbying efforts of the association resulted in insertion of improvements in the draft. "If not for GNAB, the new law on broadcasting would be much worse," said Irakli Machitadze from Radio Dzveli Kalaki.

The National Association of Georgian Newspapers, Free Press, and the Georgian Regional Media Association (GRMA) have been lobbying since 2003 for amendments to the new tax code to ensure benefits for print media. As a result, the new tax code adopted late in 2004 exempted print media from all levies except income and social taxes.

Panelists said that in addition to lobbying, the associations should work to bring economic benefits to members. For example, they said, the members could buy research data, intellectual property rights, and educational services through the association at

discounted prices. Additionally, the association members could gain access to a printing facility, a distribution network, or advertising network agreements.

"If not for GNAB [Georgian National Association of Broadcasters], the new law on broadcasting would be much worse," declared Irakli Machitadze.

"Without such economic interests at the core, the associations will remain rather fragile," said Mamaladze, publisher of *Guria News* in Chokhatauri. He added that the GRMA now has information about each regional newspaper, even the smallest ones in the remote rural areas.

There is no national association that specializes in protecting journalists' rights. There are small associations of journalists in the regions, but they are not very effective. According to the panelists, the most efficient groups in this regard are NGOs, especially those supported by foreign donors.

Panelists agreed that neither the state nor the private journalism schools in Georgia provide high-quality education. There are 76 institutions in Georgia accredited to teach journalism. About 600 journalism students study at Ivane Javakhishvili Tbilisi State University, and about 400 study at Georgian Technical University. In total, Georgia currently has more than 2,500 students enrolled in journalism programs throughout the country. However, after graduation

they rarely possess the hands-on skills employers seek because of outdated curricula and teaching methodologies that require radical reforms, the panelists said.

The only alternative is the Caucasus School of Journalism and Media Management, funded by the US Department of State and the Open Society Institute. The school operates in an academic partnership with the International Center for Journalists (ICFJ) and Louisiana State University's Manship School of Mass Communication. It runs graduate degree and certificate programs in journalism and media management, graduating 10 to 15 Georgian students each year who are generally accepted as well-qualified by employers.

According to Irakli Machitadze, director of the radio company Dzveli Kalaki in Kutaisi, short-term trainings now seem to be more effective than several years spent at the university. "When we opened a six-week, part-time, professional course in media management for 15 mid-career professionals, there were 94 applicants willing to take it," said Maia Mikashavidze, dean of the Caucasus School of Journalism and Media Management.

There is a wide variety of short-term training programs available to media. But not all media outlets benefit from these programs since they fail to recognize the value of this education. Tamar Chikovani of Radio Liberty noted that some media owners are not concerned that their employees lack reporting skills and journalists themselves are so overloaded with work that they are not able to allocate time for professional development. Some panelists noted the increased demand for training programs in marketing, advertising, and newspaper design. Panelists agreed that local trainers are in short supply and foreign trainers hired by donor organizations sometimes cannot adjust to local needs.

Panelists agreed that the printing system in Georgia has not changed much since 2003. Most of it still remains outdated, badly managed, and inefficient. There are about 15 private and three state-subsidized printing presses affiliated with universities in Tbilisi, one private printing house in Kutaisi, and one in Batumi. However, according to Nato Gubeladze, the editor-in-chief of *P.S.*, facilities in Tbilisi offer better print quality at lower prices than the presses available locally. According to the GORBI survey, all regional newspapers except for *Newspaper Batumelebi* were printed in Tbilisi in 2004. The majority of the papers use the Godoli printing house. In Tbilisi, at least two newspapers have their own printing facilities—*Rezonansi* and *24 Hours*.

The lack of printing services in western Georgia

prevents local newspapers from increasing their frequency and circulation. Panelists agreed that there is a great need for a modern, affordable, and efficient printing facility in western Georgia. The delivery of many newspaper layouts from the regions to Tbilisi printing houses and the return of the printed product still is done using passenger buses and trains, although use of the Internet is increasing.

There are up to 20 small private distributors that cover Tbilisi or other segments of the country. Of these, Sakpresa, the largest national print distribution system left over from the Soviet era, has the widest reach. In October 2003, Sakpresa was privatized by an individual, but the legitimacy of the process remained in litigation more than a year later.

Newspaper distribution in rural areas remains difficult. "When we are trying to distribute the newspaper

outside Kutaisi, we encounter great problems. No distribution agency covers rural areas in the Imereti region. Thus, we have to find our own means to get the newspaper to our subscribers," said Gubeladze. According to Ia Mamaladze, publisher of the *Guria News*, the distribution system in Tbilisi and the regions remains disorganized. Newspaper companies have no control over their product, and distributors do not register the copies in stock or the unsold copies. As a result, the newspapers find it very difficult to compile sales data.

Panelists could recall only one case of newspapers being prevented from distributing in 2004. During the spring, in the breakaway region of Adjara before the overthrow of Aslan Abashidze, "Adjarian authorities barred kiosks and stores from selling some newspapers, including *Guria News*," recalled Mamaladze.

Panel Participants

Mamuka Todua, director, Ninth Wave television company, Poti

David Kikalishvili, anchor, Rustavi 2 television company, Tbilisi

Irakli Sharabidze, senior lawyer, TV Imedi, Tbilisi

Irakli Machitadze, director, Dzveli Kalaki radio company, Kutaisi

Tamar Chikovani, head of RFE/RL (Radio Free Europe/Radio Liberty) Tbilisi Bureau, Tbilisi

Ramin Meladze, executive director, Georgian Radio Network, Tbilisi

Ia Mamaladze, publisher, *Guria News*, Chokhatauri

Nato Gubeladze, editor-in-chief, *P.S.*, Kutaisi

Paata Veshapidze, managing editor, *24 Hours*, Tbilisi

Tamar Tsilosani, executive director, GNAB, Tbilisi

Tamar Kintsurashvili, deputy director, Liberty Institute, Tbilisi

Maia Mikashavidze, dean, Caucasus School of Journalism and Media Management, Tbilisi

Moderators

Lia Chakhunashvili, IREX/Georgia

Devi Sturua, IREX/Georgia

Ellada Gamreklidze, IREX/Georgia

Observer

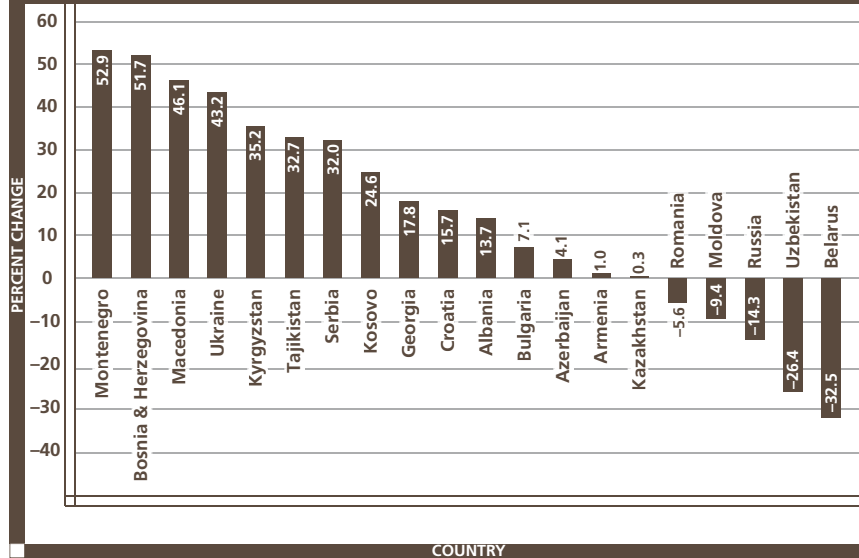
Keti Bakradze, USAID/Caucasus Office of Democracy and Governance

GEORGIA AT A GLANCE

GENERAL (data from CIA World Factbook)

- **Population:** 4,693,892 (est. July 2004)
- **Capital city:** Tbilisi
- **Ethnic groups (% of population):** Georgians 70.1%, Armenians 8.1%, Russians 6.3%, Azeris 5.7%, Ossetians 3%, Abkhazs 1.8%, others 5%
- **Religions (% of population):** 75% of the population is Orthodox (65% Georgian Orthodox, 10% Russian Orthodox); Muslim 11%; Armenian Apostolic 8%; unknown 6%
- **Languages (% of population):** The official language is Georgian, though most of the population speaks Russian (or at least understands it).
- **GDP:** US\$12.18 billion (est. 2003)
- **GDP/GNI per capita:** US\$2,500 (est. 2003)
- **Literacy rate (% of population):** 99%
- **President or top authority:** President Mikheil Saakashvili
- **Next scheduled elections:** Presidential 2009, parliamentary 2008

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004

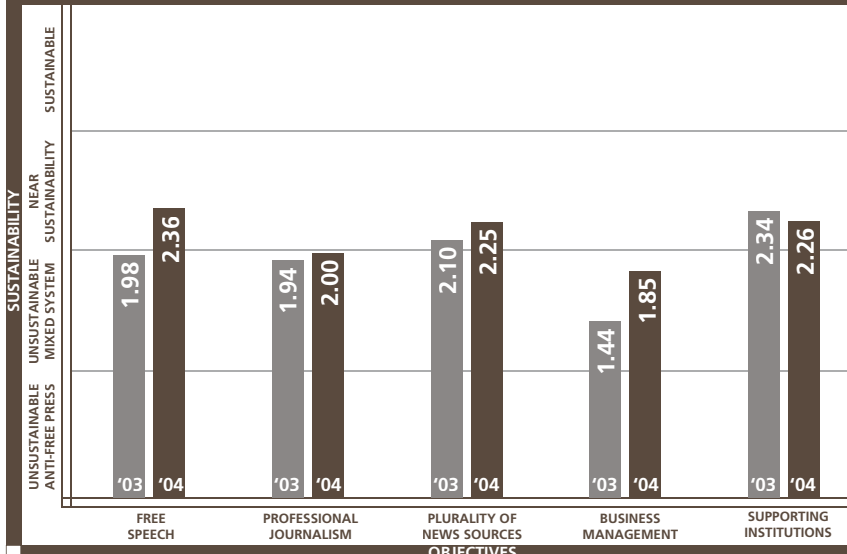


MEDIA-SPECIFIC

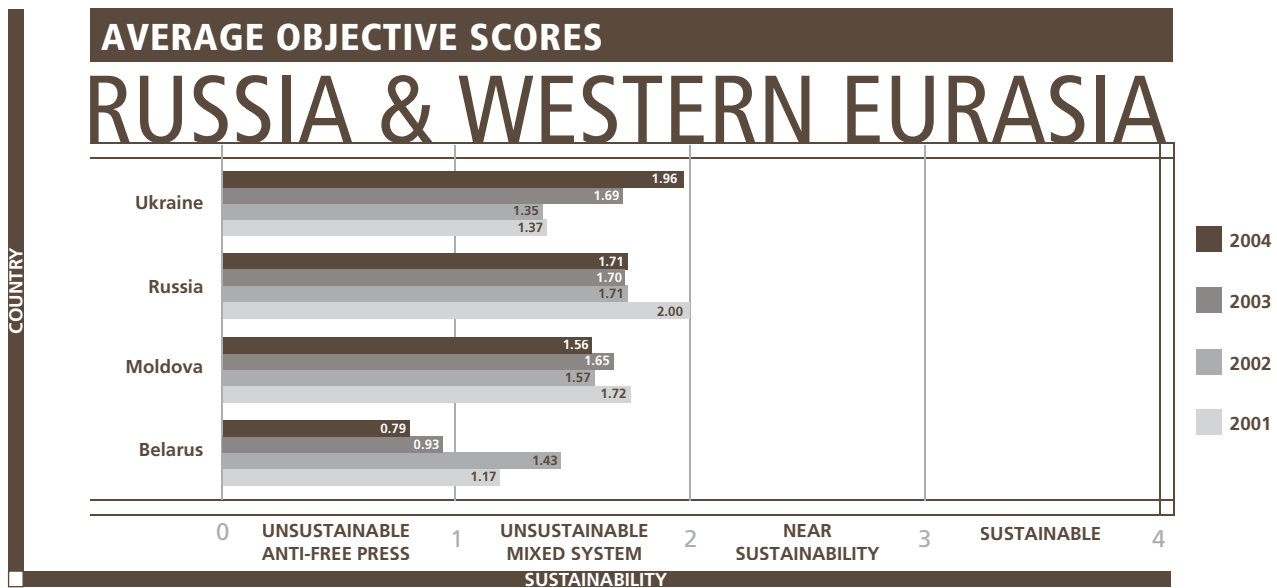
- **Newspaper circulation statistics (total circulation and largest paper):** Newspapers *Kviris Palitra*, *Qronika*, *Asaval-Dasavali*, and *Alia* have the largest circulation, although exact numbers are not available. GORBI circulation data from October 2004 show *Akhali Versia* (Tbilisi) with 7,000, 24 Saati (Tbilisi) with 4,000, *Rezonansi* (Tbilisi) with 4,000, and *Guria News* (Chokhatauri) at 4,000.
- **Broadcast ratings (top three ranked stations):** Rustavi 2: 7.36%; Imedi: 3.07%; State Channel 1: 2.32% *IPM-Media 2004*

- **Number of print outlets, radio stations, television stations:** NA
- **Annual advertising revenue in media sector:** According to an estimate by IMP-Media, the television advertising market during the period from January 1, 2004, until December 15, 2004, reached US\$10 million. No data are available regarding the size of the advertising market for print media and radio.
- **Number of Internet users:** 150,500 *CIA World Factbook*
- **Names of news agencies:** AP Bureau, Reuters Bureau, BBC World Service, France Press Bureau, Black Sea Press, Novosti Gruzia, Sarke, Sakinformi, GT News (Media Holding Georgian Times), I-Media, Interpress, Infozavri, Info Georgia, Iprinda, Kavazpress, Kontakti, Media News, Prime News yellowpages.ge

MEDIA SUSTAINABILITY INDEX: GEORGIA



RUSSIA & WESTERN EURASIA



"THEY MAKE YOU SUBMIT YOUR BROADCAST CONCEPTS WHEN YOU APPLY FOR A FREQUENCY. KGB OFFICERS SIT THERE AND DECIDE WHETHER THEY LIKE YOUR PROGRAMS," SAID A PANELIST.



Throughout 2004, the isolationist administration of President Alexander Lukashenko waged a systematic campaign to crush the independent media and monopolize the flow of information to Belarussians. These efforts peaked in October, when the country held parliamentary elections and a referendum to eliminate presidential term limits, and continued into 2005.

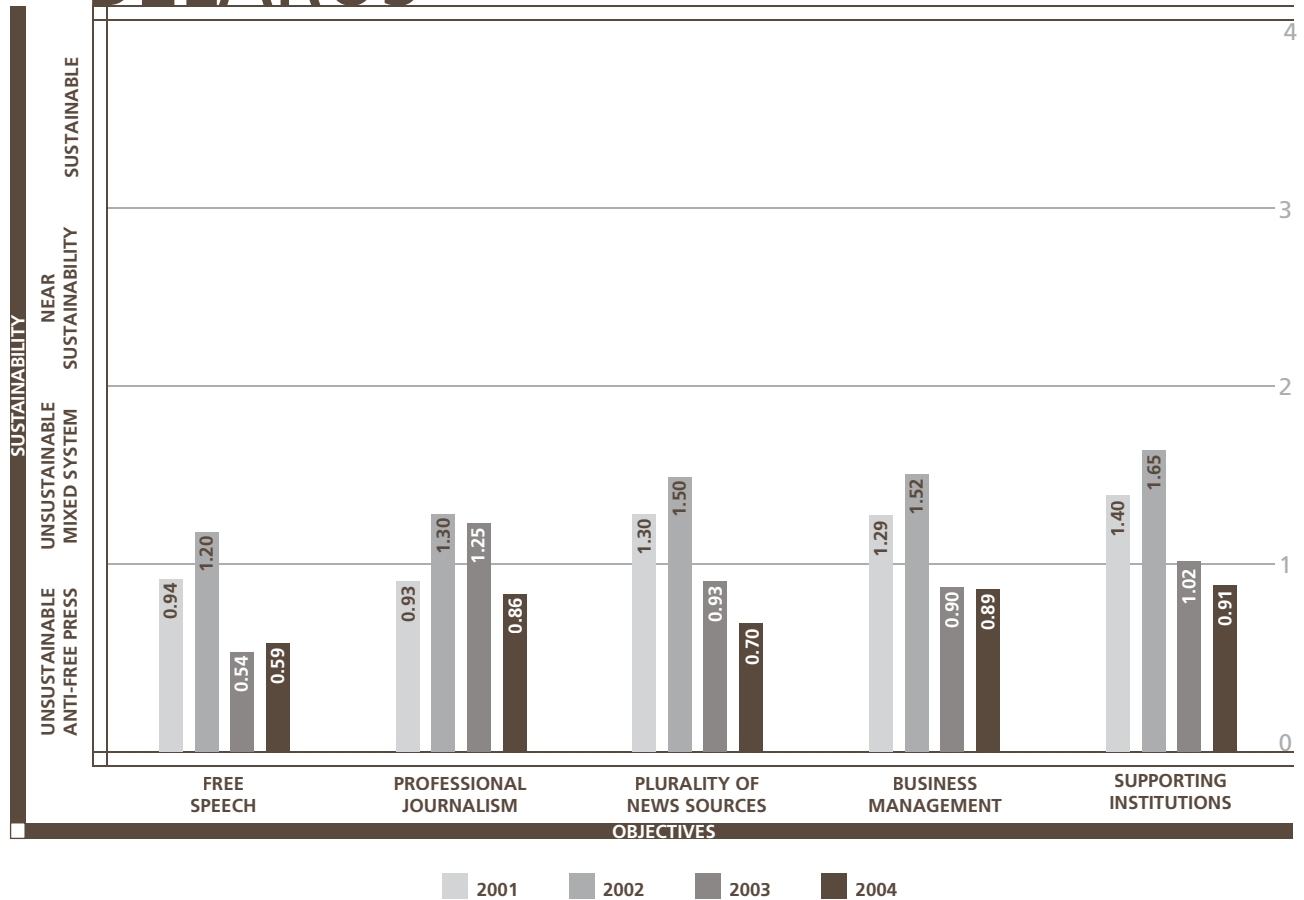
The elections—in which the government cemented its control of parliament and Lukashenko claimed a mandate to serve in office indefinitely—were roundly condemned as fraudulent by foreign observers and the opposition. The government responded to several days of protests, the largest of which brought 3,000 people to the streets of Minsk, by arresting and beating opposition leaders, reporters, and participants. Despite government harassment and interference, the surviving independent media and Russian television and newspapers, which are widely consumed in Belarus, covered the protests and government crackdown extensively. Thus, while the government's tactics quelled the protests, they also exposed many Belarussians to the degree of their own government's repressiveness.

The Belarussian economy depends heavily on subsidized energy from Russia, and on Russian investment. Small and medium-sized businesses form only a tiny part of the economy, as official policies, taxation laws, and bureaucratic regulations make it exceptionally difficult for entrepreneurs to operate both legally and profitably. Because of the complexity and draconian nature of regulations, essentially all private business run afoul of some law, resulting in heavy fines, "accommodations" through payoffs, or outright closure. As a result, one of the most active opposition groups in the months leading up to the referendum and election was an association of small-business owners. Widespread underemployment and inflation continue to make life difficult for the average citizen. Meanwhile, mutual ambivalence left very much up in the air the future of a proposed 2005 currency union with Russia, and an eventual economic and political union.

MSI panelists in Belarus agreed to participate only if they were not quoted by name. Some members of the 2003 panel declined to participate in 2004, citing concern about possible government repercussions.

MEDIA SUSTAINABILITY INDEX

BELARUS



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

The worsening media situation led to declines in almost every objective score in the 2004 Media Sustainability Index (MSI) for Belarus, following sharp drops in 2003. Expanding a drive begun in 2003, the government targeted specific outlets and journalists, MSI panelists said, launching dozens of spurious criminal and civil prosecutions for alleged libel and offenses against the honor and dignity of public officials. The Ministry of Information suspended 25 newspapers, in many cases for minor technical violations. Various authorities seized print runs of at least five newspapers. The government also adopted new regulations barring independent media and support organizations, such as the Belarussian Association of Journalists, from receiving foreign assistance.

Through presidential decrees, new regulations, and unofficial orders, the government moved to choke the ability of independent media to access and distribute news, and to operate profitably. On the news side, the central and local governments revoked or refused to issue accreditations to many journalists they considered troublesome. On the business side, the government imposed blanket denials of new newspaper registrations and unofficially ordered printing presses, all of which are state owned or effectively state controlled, not to print new newspapers or certain existing papers. This restriction forced several papers, most notably *Belaruskaya Delovaya Gazeta*, to be printed in Russia. The government also ordered newspapers and the few independent distribution services to register their distribution departments and subscription services—and then rejected most applications; it eliminated the last three independent newspaper distribution services and pressured private stores and kiosks not to sell independent papers. It used re-registration orders to pressure most radio and television stations to grant partial ownership to local authorities, and to self-censor news coverage. For example, government officials threatened to de-register broadcasters that gave any coverage to or interviewed opposition parliamentary candidates. The government used threats of tax audits and other means to pressure independent businesses not to advertise in or subscribe to independent newspapers. And it ordered state bodies and employees not to advertise in or subscribe to independent newspapers.

Nonetheless, as of the end of 2004, 17 independent television stations and some three dozen independent newspapers continued to operate in various regions of Belarus. There were no radio stations still broadcasting independent news. Television stations have managed to survive by picking their reporting subjects with great care and engaging in substantial self-censorship;

in most cases they face no direct competition and have a captive advertising market and small news staffs, so they can scrape by on relatively modest means. Newspapers in some cases have been forced to use printing presses in neighboring Russia, to develop distribution systems that are not approved by authorities, and to rely on outside assistance. An increasing number of underground publications—unregistered and with no advertising, small circulations, and free distribution—have begun to appear in Belarus in the past year.

Even as it ramped up the pressure on independent media, the government created a third national state television channel, began building a regional state television and radio network, and systematically expanded and upgraded key state publications such as the presidential newspaper *Sovietskaya Belorussia* by buying new full-color Web presses, upgrading computer and photography equipment, and so on.

With President Lukashenko expected to stage-manage a third term in presidential elections to be held in fall 2006, there seems every reason to expect that the media situation will continue to worsen. Draft laws being prepared by the government are expected to restrict access to the Internet and possibly to create a government-run “public advisory” council to control the media.

OBJECTIVE 1: FREE SPEECH

Belarus Objective Score: 0.59 / 4.00

While the Belarussian Constitution guarantees freedom of speech, in practice authorities routinely punish speech that does not toe the government line. Panelists agreed that by every norm, Belarus fails to protect free speech and that the situation compared to a year earlier is worse. (The slight rise in the overall MSI score for the objective is attributable to the higher score for the indicator concerning free entry to the journalism profession, with the 2004 panel assessing the barrier as more economic—low pay—than formal.)

Panel members said that few free-speech laws or social protections exist, and that those that do are either not enforced or enforced unfairly. Tax, licensing, and commercial codes are politicized, and journalists have almost no access to information that by law should be public. State prosecutors wield criminal libel laws as poleaxes against journalists. The highly politicized courts offer almost no protections, often making rulings at odds with the law. Panelists noted that of the 25 newspapers suspended by the Ministry of

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Information during 2004, only in one appeal—by the paper *Vremya*—did a court overturn a suspension. Very few judges will overturn a ministry decision, even when the law clearly favors a media outlet.

“Enforcement is one-sided, suppressing everything that doesn’t fit the concept. It is the system itself—the existing political and ideological structure—that hampers the enforcement of laws,” noted one panelist.

“Enforcement is one-sided, suppressing everything that doesn’t fit the concept,” one panelist said. “It is the system itself—the existing political and ideological structure—that hampers the enforcement

of laws.” When *Mestnaya Gazeta* editor Andrei Shentorovich launched a hunger strike to protest the suspension of his weekly paper, he was fined \$550 in court for conducting an unsanctioned protest—a week after he stopped his hunger strike.

Several panelists complained that ordinary Belarusians do not value freedom of speech.

However, one panelist noted that when the Ministry of Information suspended the Molodechno newspaper *Regionalnaya Gazeta* in late September, scores of readers wrote letters of protest and dozens even traveled to the ministry in Minsk to demand that the paper be allowed to come out again. “They put massive pressure on the ministry,” a panelist said. “And this wasn’t initiated by the newspaper—on the contrary, [the editor Alexander] Mantsevich, as a very cautious person, was afraid of further repercussions. When readers called him asking whether they could do anything to help the newspaper, he kept on saying: “No, thanks. We’ll wait through the suspension.” The ministry complied with readers’ demands and revoked the suspension on October 12.

Local and state prosecutors frequently issued warnings to papers for covering opposition political parties. On June 21, the Belarusian KGB deported *Vremya* journalist Mikhail Padalyak to his native Ukraine, accusing him of “destabilizing” the country by reporting critically on President Lukashenko. The next day, the government barred several correspondents from entering parliament, trying to stop them from reporting on a hunger strike by opposition members of parliament. On May 11, the KGB raided the independent weekly *Den* in Grodno and seized documents and four computers, purportedly as part of a probe into the distribution of leaflets criticizing President Lukashenko.

Meanwhile, broadcast media licensing is highly politicized, with official favoritism for state media. “They make you submit your broadcast concepts when you apply for a frequency,” said one panelist. “KGB officers sit there and decide whether they like your programs.” In violation of its own laws, the Communications Ministry in 2004 awarded radio frequencies to a state trade-union and to the Minsk regional executive committee without allowing competing bids. Independent broadcasters who would like to expand say it is hopeless to even try to get new licenses. “You need to swear you will have news only from select government sources and provide exclusive coverage of the executive committee,” said one panelist.

Regional television broadcasters report being threatened by local authorities with the loss of their license if they aired critical stories, covered opposition candidates, or accepted opposition political advertising. BUG-TV, in Brest, was menaced by the local executive committee for re-broadcasting news programs produced by Russia’s REN-TV.

The news media are more highly regulated than other private businesses, having to gain licenses from and get approval for their office locations from local executive committees, as well as being regulated by state communications and information ministries. The Lukashenko administration ordered local authorities not to register new newspapers in 2004, though some suspended newspapers, such as *Den*, circumvented this ban by having previously acquired defunct newspaper registrations. Media outlets can be suspended or closed down after receiving three warnings (in some circumstances two) from the Ministry of Information. Tax regulations restrict how much money businesses can spend on advertising (typically no more than 12.75 percent of revenue), but advertising in state media is exempted from this regulation.

Crimes against journalists are rarely prosecuted, and state security has been implicated in some cases, including in the beating of several journalists during the election period. A Russian ONT TV reporter was beaten in front of other journalists and then charged by police with assaulting the men who had beaten him. On October 19, police beat journalists from Russia's REN-TV and NTV and broke their cameras. After the referendum, various journalists reported being summoned to the state prosecutor's office and warned that they could be criminally punished for having written stories alleging electoral fraud. Reporters in Gomel and Grodno reported receiving death threats. When the caller in Gomel was caught, he was let go with a fine. A deputy editor at *Narodnaya Volya* sought asylum in Belgium in December after saying he, too, received threats.

State-owned media receive a vast array of preferences compared with independent media: lower printing charges, lower distribution fees, lower postage rates, state-subsidized advertising, preferential advertising regulations, and preference or often exclusive access to information that in most countries would be considered public. Editors and directors of the main state media outlets are appointed directly by the president and the Minister of Information.

Belarussian law includes criminal penalties for libel and for offending the honor and dignity of public officials, and these options are used aggressively. Two businessmen received two-year sentences for distributing leaflets questioning presidential administration spending. The independent daily *Narodnaya Volya* paid \$30,000 in fines in two civil cases, BDG paid \$1,400 in another, and *Birzha Informatsii* editor Elena Ravbetskaya was fined \$600 for offending the honor of the president by writing an editorial

against the presidential referendum, among other examples. Belarussian libel laws do not include an "actual malice" standard, and the onus is on journalists and media outlets to prove the accuracy of any allegations. Truth is not a defense in offenses against the honor and dignity of public officials.

While Belarussian law guarantees independent and state-owned media equal access to information, in practice officials routinely bar independent media from access to public information and

meetings. While most journalists know their rights are being violated, there is no effective mechanism to make officials accountable. Ministry officials and oblast committees, among others, can and do classify almost any information as top secret. In early 2005, parliament was considering a law barring state officials from making comments to independent media.

International news broadcasts and publications can be distributed in Belarus only with the express permission of the Ministry of Information and through state-controlled channels. Most media outlets have access to the Internet, and Russian media are available throughout the country along with broadcasts from Poland and Lithuania in northern and western Belarus. However, the government censored various Russian broadcasts, claiming "technical problems" that happened to coincide with programs about Belarus, prohibited the Polish channel Polonia TV from being aired, and forced the Russian state broadcaster VGTRK to close its Minsk bureau after it reported on opposition protests. The government also has moved to limit foreign broadcasts, reducing the amount of Russian television airtime on state-controlled channels by 70 percent for the 18-month period until the end of 2004. Few news outlets can afford to subscribe to foreign wire services, and most Belarussians cannot afford access to the satellite dishes or cable television services that carry international broadcasts.

Anyone who wants to can practice journalism. Belarus does not license journalists. However, the government controls access by limiting accreditations and revoking them from troublesome journalists. There are no independent journalism schools in the country; and state schools must conform to propaganda decrees

"You need to swear you will have news only from select government sources and provide exclusive coverage of the executive committee," explained a panelist.

issued by the presidential administration. Two professors at the Institute of Contemporary Knowledge were dismissed in 2004 for not conforming to these teaching requirements.

OBJECTIVE 2: PROFESSIONAL JOURNALISM
Belarus Objective Score: 0.86 / 4.00

Fear of government repression led to growing concerns over self-censorship and other professional compromises by journalists and news media, causing the score for this objective to fall substantially from 2003. Panelists were very mixed on the question of the level of professionalism of Belarussian journalists. All agreed that reporting at the state-owned media

According to one panelist, "There is a civil cold war raging, so ethics are not a big value these days."

outlets, especially on political and economic issues, failed to meet professional standards. Several panelists also felt that pressure

applied by the state increasingly has pushed journalists at independent media outlets into the position of the opposition; other panelists disagreed as to which was the cause and which was the effect.

Journalism meets professional standards of quality.

- PROFESSIONAL JOURNALISM INDICATORS:**
- > Reporting is fair, objective, and well sourced.
 - > Journalists follow recognized and accepted ethical standards.
 - > Journalists and editors do not practice self-censorship.
 - > Journalists cover key events and issues.
 - > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
 - > Entertainment programming does not eclipse news and information programming.
 - > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
 - > Quality niche reporting and programming exists (investigative, economics/business, local, political).

In recent years, the standard of journalism at independent news media improved due in part to extensive training by US and European media-assistance organizations.

It has been increasingly difficult to conduct such training, as the authorities have forced all media-related nongovernmental organizations (NGOs) out of the country and have banned foreign assistance to the media. Most training is now conducted in neighboring countries such as Russia or Lithuania, or by the few remaining indigenous media NGOs. Nevertheless, most Belarussian journalists are aware of their ethical obligations to have multiple sources, check facts, and provide the public with objective information. Leading organizations, such as the Belarussian Association of Journalists, promote a code of ethics in line with international norms, and many leading independent media had been seen by the public as striving to be objective and to maintain high professional standards.

But panelists disagreed strongly as to whether enough of an effort is made to be fair, objective, and well-sourced. Some said regional newspapers have improved substantially; others argued that by comparison with reporters in more open neighboring societies, such as Poland and Lithuania, Belarussian journalists have fallen behind. Several panelists also felt that state repression of independent media was leading to a polarization that harmed ethical standards. "There is a civil cold war raging," said one panelist, "so ethics are not a big value these days."

Many newspapers publish paid advertising in the guise of news stories to appear to comply with the law that limits advertising to 30 percent of a newspaper's content. Panelists also said that journalists frequently accept bribes and gifts for favorable coverage, though they said they did not see this practice at media companies with their own ethic codes, such as Intex-Press. Given the severe economic constraints under which most outlets operate, and the abysmal pay levels (most journalists make less than \$50 a month), the financial temptation is substantial. Journalists also sometimes take payments not to cover a story.

Panelists also disagreed strongly as to the degree of self-censorship. Despite the certainty that doing so would provoke severe government reprisals, "this year some good papers published evidence of election fraud," noted one panelist, citing *BDG* and *Narodnaya Volya* as examples. Another noted that Belarussian reporters for Russian television networks such as REN-TV and TVC also report fearlessly. "They put themselves under real threat...these reporters are like kamikazes, but they do a great job," he said. But another noted

that fear made such courage the exception rather than the rule—especially in a year in the government suspended 25 newspapers. “The examples given by my colleague are real, but they don’t happen on a large scale,” said another panelist, citing newspapers that stopped covering stories about President Lukashenko, such as his visits to Austria, after the Information Minister threatened to close them.

The question of self-censorship connects directly to the degree to which journalists cover key events and issues. “Everything related to important decision-making in the country, to the distribution of material welfare, to corruption, is forbidden” by the authorities, said one panelist. Another noted that any news outlet that covers key events knows there will be consequences. “Tax inspectors may come—and that’s the least of it,” said one panelist, adding, “A journalist may get his face smashed in...a newspaper may be refused printing.” Under the press law, any newspaper receiving three warnings (or two warnings under certain provisions) can be immediately suspended or closed. The courts offer little protection, with most judges meekly ruling in favor of the government regardless of the facts.

Significantly higher pay at state media also hurts efforts at economically pressed independent media to retain journalists and prevent corruption. A typical journalist at a national independent paper might earn \$150 a month, versus \$300 at a state paper. The presidential administration newspaper *Sovietskaya Belarussiya* pays large salaries, especially to reporters in the regions. “You can very well go against your conscience for that money,” said one panelist.

While entertainment programming predominates—especially Russian entertainment programs—news and information on independent television stations continues to increase. Regional stations that used to broadcast news once or twice a week have gone to daily shows and have increased newscasts from 15 minutes to half an hour. However, independent radio news broadcasts all but disappeared in 2004, with the few independent stations dropping newscasts under unofficial threat of losing their licenses.

Lack of adequate technical facilities also poses a problem for all independent media. “We do not have a single paper where there is a complete and functional local computer network,” said one panelist, referring to the independent press. Most reporters do not have computers, and many television stations have only one or two video cameras for both field and in-studio work. Most news outlets rely on foreign donors to provide

them with Internet access. Except when donors provide them, most news outlets lack laptop computers, digital cameras, digital recorders, and other standard equipment. New government regulations bar media from accepting foreign assistance, and maintaining existing equipment is a constant challenge under severe budget constraints.

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Newspapers rely on state-controlled printing houses and, in most cases, on state-controlled distribution, sales, and postal systems. Many newspapers made strides in recent years in developing independent means of distribution, but in 2004 the government undercut these efforts by adopting new laws requiring newspapers to get licenses for subscription and self-distribution. The Ministry of Information has refused to grant such licenses to many newspapers and has issued others with severe restrictions. The new laws effectively prevent independent newspapers from legally creating combined distribution networks.

Meanwhile, by contrast, government spending on state media rose dramatically during 2004. The government spent millions of dollars buying state-of-the-art television production facilities, improved printing equipment, and other technical upgrades, opening a significant technological advantage over independent news outlets.

According to one panelist, “Everything related to important decision-making in the country, to the distribution of material welfare, to corruption, is forbidden.”

Some high-quality niche reporting and programming exists, particularly at some of the national and larger regional newspapers, which continue to cover such topics as business, the environment, housing issues, education, local government, and so on. But increasingly, news outlets that engage in good reporting find themselves targeted for reprisals. Panelists disagreed about the extent of niche reporting, with some maintaining that few publications offer it because the insular Belarussian public does not demand it.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Belarus Objective Score: 0.70 / 4.00

An aggressive campaign by the Lukashenko administration to suspend or close independent newspapers, restrict independent broadcasting, limit Internet access, and eliminate most Russian news from cable, satellite, and broadcast television led for the second straight year to a sharp drop in the availability and variety of news sources in

“Most editors and journalists at state media openly admit they are a propaganda arm of the regime,” noted a panelist.

Belarus, panelists agreed. The average Belarussian can afford a television and can buy at least occasional copies of independent newspapers, but that does not

equate to access to a plurality of news sources. The three national state television channels, the state radio network, and state publications all speak essentially with a single voice. The government subsidizes subscriptions for workers and retirees to state publications, which also strictly follow the government’s propaganda line.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens’ access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Under threat of losing their licenses, FM radio stations around the country stopped broadcasting independent news and now only read reports by the government’s information service, BelTa. Internet cafés, also under government order, routinely block access to websites with political news, such as the sites of Radio Liberty or the human-rights group Charter 97. One panelist noted that Internet cafés also register visitors by name and log for authorities the sites each user visits.

Meanwhile, the government routinely censors Russian RTR news programs such as “Zerkalo” and “Vesti Nedeli,” replacing them with the Belarussian STV program “Expert” whenever they cover Belarussian political or economic issues. One panelist noted: “Television viewers don’t even know they’re not getting the right programs, because it’s designed to look just like RTR.” Similarly, most news programs on the Russian channel ORT are replaced with state-produced Belarussian content. Cable operators, too, must get authorization from local authorities for all channels and programming they air.

In the past year, the Ministry of Information suspended 25 newspapers, forcing some to close and in other cases drastically reducing their reach once they resumed publication. The state often censors or confiscates independent publications. For example, on May 26 a Minsk-based state printing house said it would not print that week’s issue of the paper *Mestnya Gazeta* from the Grodno region unless it could replace an article on corruption at the local tax inspectorate. When editor Andrei Shantarovich said the space should be left blank so readers would know it was censored, the printing house cancelled its contract to print the paper. At least three times during 2004, police seized entire print runs of newspapers, including 5,000 copies of the newspaper *Den* on April 7. That issue carried an interview with the head of an entrepreneur’s association discussing a planned May 1 rally. The police said the seizure was based on the “dissemination of information on behalf of unregistered organizations.”

The government also pressured sales outlets not to carry independent newspapers. On August 23, seven Minsk-based supermarkets began refusing to sell leading independent newspapers, including *Belorusskaya Delovaya Gazeta*, *Belorusskaya Gazeta*, *Belorussky Rynok*, and *Narodnaya Volya* via their newsstands. Supermarkets managers said they were following verbal “recommendations” by the Minsk city administration.

While the media law theoretically allows the free circulation of international media, in practice they are not widely read and few Belarussians can afford

foreign publications or satellite receivers. In Minsk, cable operators in 2004 stopped carrying CNN and BBC, leaving only Euronews available.

Panelists uniformly agreed that state media do not reflect the views of the entire political spectrum. “Most editors and journalists at state media openly admit they are a propaganda arm of the regime,” noted one panelist.

Three independent news agencies exist in Belarus: BelaPAN and the Russian-owned Interfax-Zapad and Belarus Prime-TASS. The leading agency, BelaPAN, has come under intense pressure for its independent reporting. The government prohibits state media from using BelaPAN and bars its reports from being broadcast on radio. “Most private media are too poor to afford BelaPAN,” said a panelist. BelaPAN said it has only 10 domestic news-media subscribers, and as a result also is under increasing financial pressure.

Despite the obstacles, Belarus has 15 independent television stations, and they have steadily been increasing their news production. By 2004, 11 stations were producing daily newscasts, up from just three stations in 2001. Four stations (in Orsha, Vitebsk, Borisov, and Polotsk) use high-speed Internet links to exchange news video packages and advertising on a daily basis, vastly increasing their ability to present regional news to their viewers. According to Novak Market and Opinion Research, these news stations reach 2.5 million viewers. However, several panelists noted that regional television stations frequently self-censor. “Sometimes they make great newscasts, and then they receive a phone call from the local executive committee saying [they] should not air [them] and they don’t, so there is little independence,” said one panelist.

Aside from the state, media ownership in Belarus is not concentrated; there are no media conglomerates. However, ownership is not transparent. Many nominally independent media are in fact owned by state or local government entities. For example, the management of the nominally independent broadcasters STV and ONT are appointed by the presidential administration. Several panelists noted that while ownership information is readily available, media outlets are sometimes held by shell companies or in the names of individuals whose connections are not apparent, making it difficult for the public to judge the objectivity of the news.

Meanwhile, it is increasingly difficult and risky for independent media to cover the full spectrum of social interests, panelists said. The state restricts access to information or data that might present officials in an unfavorable light, whether with regard to

contamination from the Chernobyl disaster, high rates of HIV/AIDS, or other concerns. There are few minority-language publications, and panelists noted that those—such as the Polish-language *Glos*

Znad Neimna—do

not cover politics or social issues. There is almost no coverage of marginalized communities, such as the Roma. And coverage of religious topics remains sensitive. Orthodox Christianity, the dominant religion, has a special legal status in Belarus; the government restricts the religious freedoms of other faiths, and several publications have reported being attacked for covering them.

“Sometimes they make great newscasts, and then they receive a phone call from the local executive committee saying [they] should not air [them] and they don’t, so there is little independence,” said another panel participant.

OBJECTIVE 4: BUSINESS MANAGEMENT

Belarus Objective Score: 0.89 / 4.00

Ever more aggressive interference by the state made it all but impossible for independent media to operate as profitable, legal businesses in Belarus, continuing a decline that began in 2003 after several years of steady improvement. In previous years, thanks to extensive business training by international assistance organizations, many leading media outlets made strides in improving their accounting, advertising sales, planning, distribution, marketing, and other practices. But panelists agreed that state-imposed obstacles on advertising, printing, broadcasting, circulation, distribution, and other areas have succeeded in making even the best-run news businesses economically vulnerable.

For example, the newspaper *Belaruskaya Delovaya Gazeta*, one of the most respected and successful papers in the country during the previous five years with paid daily circulation nearing 70,000 at its peak, was targeted in 2003 through politicized court rulings, fines, and suspensions. It was denied access to printing presses, the state-controlled distribution system, and many sales outlets. State officials threatened the paper’s advertisers with tax inspections and other reprisals. Now the paper is printed in Smolensk, Russia, has almost no advertising, and has lost 75 percent of its circulation because it is so difficult to get copies to readers. Journalists in Belarus widely perceive that

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

the paper was targeted precisely because it was seen as perhaps the most balanced, independent, and trustworthy national publication. “BDG used to be the best example for the newspaper business in Belarus,” said one panelist. “Look at them now; and that is all the result of the efforts of the authorities.”

“BDG used to be the best example for the newspaper business in Belarus. Look at them now; and that is all the result of the efforts of the authorities,” noted a panelist.

The state owns or indirectly controls every printing press in Belarus. In addition to *BDG*, newspapers that have been driven to print in Russia include *Vremya*, *Solidarnost*, *Mestnaya Gazeta*, and *Den*.

Independent papers that have access to printing houses in Belarus pay higher printing fees that must be paid in advance, while state papers may pay several months afterward.

In 2004, the government imposed new distribution-licensing laws and then denied licenses to the three independent news distribution services in the country as well as to many newspapers’ self-distribution systems. This left two alternatives: rely entirely on the state distribution and postal systems, which charge

independent newspapers triple the fees charged state papers, or distribute illegally.

At the start of 2004, the government granted state news agency BelTa exclusive rights to television listings in Belarus. BelTa promptly notified independent newspapers that to publish the listings they would have to pay about \$2,100 a month, compared with \$50 a month charged state papers for identical material.

Independent media rely on advertising, subscriptions, and sales as their main sources of revenue. But the advertising market is a shambles, stunted by a weak economy and government policies that smother small and medium-sized businesses that are mainstays of local advertising. Unlike in the west, advertising is not a tax-deductible business expense, and businesses that operate in the country’s large shadow economy do not advertise. State subsidies let state-owned newspapers charge artificially low advertising rates. The government further restricted advertising in 2004, ordering state entities not to advertise in independent media and strictly enforcing regulations limiting advertising in newspapers to less than 30 percent of content. (By comparison, US and European publications typically contain 60 to 70 percent advertising content.) Regional broadcasters, too, face artificially low competition from state broadcasters that charge as little as \$25 a minute for advertising.

Advertising agencies and related industries do not meaningfully support a strong advertising market, as they themselves are subject to state pressures and interference. The result, panelists agreed, is that advertising revenue as a percentage of total revenue is far lower than it would be in a normal economy.

The state also interferes in subscription—again, requiring and denying licenses to newspapers’ own subscription services—and in sales. Authorities in most regional capitals continued a campaign begun in 2003 to eliminate independent sales kiosks. State kiosks are often ordered not to sell specific independent papers, and not to display prominently those they do sell.

Some panelists noted that the government subsidizes and controls media outlets that present themselves as independent, such as *Kravaznauchava Gazeta* and *Golas Radzimy*. Another noted that the paper *Obozrevatel*, nominally independent but controlled by a close ally of the president, is pro-Lukashenko and receives government help in exchange for attacking independent media. One said the independent television station in Mogilov accepted a grant from the local government to produce a news program.

A few independent newspapers conduct their own market research regularly and use that information to formulate strategic plans, tailor their advertising, and otherwise better target their audience. However, most outlets lack the know-how to do such research effectively and cannot afford to pay for market research.

Meanwhile, there are no reliable independent broadcast ratings—a fact that leads the few large advertisers to rely on market-research firms for such information. But independent broadcasters cannot afford to buy such ratings information, panelists agreed, and ratings do not affect programming in any meaningful sense. Radio stations do research their audiences, “but as of January 2005 they will be made to air 75 percent Belarussian music,” regardless of public tastes, noted one panelist.

The only circulation figures available are those compiled by the Ministry of Information, which are highly suspect. There are no independent newspaper-auditing firms. The Ministry of Information figures report the number of copies printed rather than the number sold or distributed, with the result that the circulations of state papers tend to be exaggerated and not reflective of actual readership.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Belarus Objective Score: 0.91 / 4.00

Ongoing government attacks on NGOs, professional associations, trade associations, and other organizations led for the second straight year to a substantial decline in support for the independent media. Various trade associations exist for regional newspapers, television stations, and cable-television operators, but panelists agreed that they are underdeveloped, generally provide limited services, and are ineffective in protecting their members against the government. “I think we cannot talk of any lobbying of government structures at all,” said one panelist. Another noted that in the face of government pressure on their members, organizations such as the Television Broadcast Network, an association of regional television managers, and BANT, the cable-operators association, have reduced activities. The Foundation for the Development of the Regional Press, an organization of regional publishers, primarily acts as a bulk purchaser of newsprint for its members.

There is one notable professional association: the Belarussian Association of Journalists (BAJ), which in 2003 won the World Association of Newspapers Golden Pen award for defending press freedom, and in 2004 was awarded the European Union’s Sakharov Prize for

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Human Rights, previously won by Nelson Mandela. BAJ brings journalists together to defend press freedom through lobbying, legal work, and monitoring. It also works with international organizations to provide training to its growing membership. But as the only meaningful professional association, it is often stretched impossibly thin. And it, too, has been subjected to harassment, including tax audits and other government investigations, having its officers questioned by the Belarussian KGB, and being denied official permission to accept a €50,000 award that accompanied the Sakharov Prize.

“I think we cannot talk of any lobbying of government structures at all,” declared a panelist.

Several human-rights groups and other NGOs, such as the Belarus Helsinki Committee, Vyasna, and the Union of Entrepreneurs, also involve themselves in supporting independent media by monitoring and publicizing violations of free-speech rights. When the national daily paper *Narodnaya Volya* was fined more than \$30,000 in two cases and appeared to face closure, several of these groups helped organize a large public protest in downtown Minsk in June.

These groups themselves are under government pressure: The Belarus Helsinki Committee, for example, was fined \$177,000 by tax authorities and nearly shut down before succeeding in getting the fine overturned in court. The government shut down at least 52 indigenous NGOs during the year, forcing many of them to work underground.

Several panelists noted that some NGOs actually harm independent media. They said that Charter 97, a human-rights watchdog, takes BelaPAN reports without paying for them and posts them on its website, without attribution, for use by Belarussian and international media. This undercuts BelaPAN's efforts to maintain its subscriber base. Charter 97 continues this practice despite repeated requests to desist. Other panelists noted that the postings on that website are frequently slanted and altered for antigovernment propaganda purposes, putting publications that use such reports at risk.

There are no independent journalism degree programs in Belarus, the last one having been closed by the government in 2003. Belarus State University and other state universities that teach journalism (in Grodno, Vitebsk, and Gomel, among other places) do not provide any practical experience and are so outdated and Soviet-style in approach that even the government ordered audits this year to address the "unsatisfactory level of graduates' knowledge." The few progressive faculty members who were trying to teach more modern journalism practice were fired this year in an ideological purge. Reports in *BDG* suggested that the presidential administration considered journalism faculties, along with the law and history faculties, to be the most "politically unreliable." President Lukashenko himself ordered universities to impose new required ideology courses in all faculties.

Training programs for journalism students are also limited. The government has blocked most study-abroad programs, including those in Moscow. And those students who graduate with any skills find that pay levels and opportunities are much greater in nonjournalism fields, such as public relations.

Short-term training opportunities for working journalists still exist, primarily funded or conducted by international media-assistance organizations in cooperation with local media outlets or associations. But efforts by international donors are hampered by increasing government restrictions—including a new law in 2004 that barred all foreign assistance to media organizations. Media outlets, meanwhile, are often reluctant to send journalists to be trained because their newsrooms are so short-staffed.

Printing facilities in Belarus are without exception controlled by the state, operated for the benefit of state papers, and used to censor and restrict the ability of independent papers to report news and reach the public. At least eight newspapers seen as troublesome were entirely denied access to printing in the country in 2004. While newsprint is still generally available—though expensive and imported—the government also uses its monopoly on distribution to punish independent papers, limit their reach, and in many cases try to destroy them. The government denied distribution licenses to some papers with the most extensive self-distribution systems, such as *Intex-Press* of Baranovichi. It forced the closure of all three of the country's independent newspaper distributors. And it arrested dozens of individuals for illegally selling or distributing copies of such newspapers as *BDG*, *Den*, *Vremya*, *Vybor*, and others. As for other channels of distribution: "Kiosks, transmitters, Internet—all these means are controlled by the government," said one panelist.

Some television and radio transmitters are still in private hands, but both the national and local governments use registration and licensing laws to force broadcasters to self-censor, particularly in radio. The government also directly controls Internet access. While interference has been relatively limited to date, the government has been moving to restrict Internet access more systematically, and in 2005 was expected to adopt a comprehensive set of Internet regulations and restrictions.

Panel Participants

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Sergei Kuziomenskiy, director, SKIF-TV, Borisov

Ales Lipai, director, BelaPAN Information Company, Minsk

Anna Gerasimova, print project coordinator, Mass Communications Foundation, Minsk

Paulyuk Bykowski, political editor, *Belorusskiy Rynok*, Minsk

Moderator

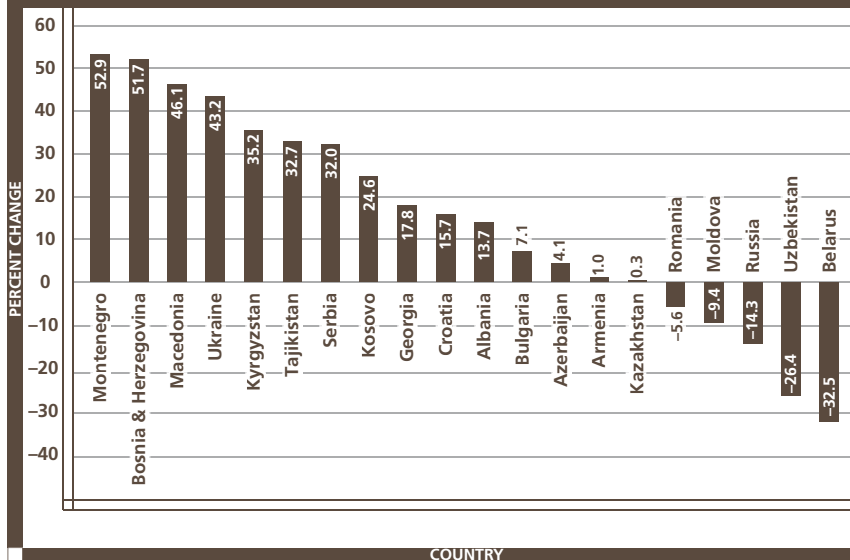
Vadim Losev, production manager, Zdorovje Publishing House, Moscow (Russia)

BELARUS AT A GLANCE

GENERAL

- **Population:** 9,812,900 *Belorussky Rynok, 2004 data*
- **Capital city:** Minsk
- **Ethnic groups (% of population):** Belarussians 81.2%, Russians 11.4%, Poles 3.9%, Ukrainians 2.4%, other 1.1% *1999 official population census*
- **Religions (% of population):** Christianity officially comprises 50%.¹ Of that 50%, 73% are Russian Orthodox, 14% are Catholics, and 2% are Protestants.² Non-Christian religions make up the other 50% (data not available from official sources).
- **Languages (% of population):** 73.7% of the population considers Belarussian their primary language; 24.1% consider Russian their primary language. *1999 official population census* However, only 36.7% speak Belarussian on a daily basis, while 62.8% speak Russian.
- **GDP:** US\$17.45 billion *World Bank*
- **GDP/GNI per capita:** \$1,590 *World Bank*
- **Literacy rate (% of population):** 97% *1999 official population census*
- **President or top authority:** President Alexander Lukashenko
- **Next scheduled elections:** September 9, 2006

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** *Sovietskaya Byelorussia* is a state-owned daily with an official print run of 506,948 copies per issue and a weekly circulation of 2,534,740. *Belarussian Ministry of Information*
- **Broadcast ratings (top three ranked stations):** First National Channel of Belarussian Radio is broadcast throughout Belarus—in Poland, Lithuania, and Latvia. Its daily share is 40.7%. FM station Russkoye Radio (Russian Radio) in Belarus has a daily share of 9.1%.

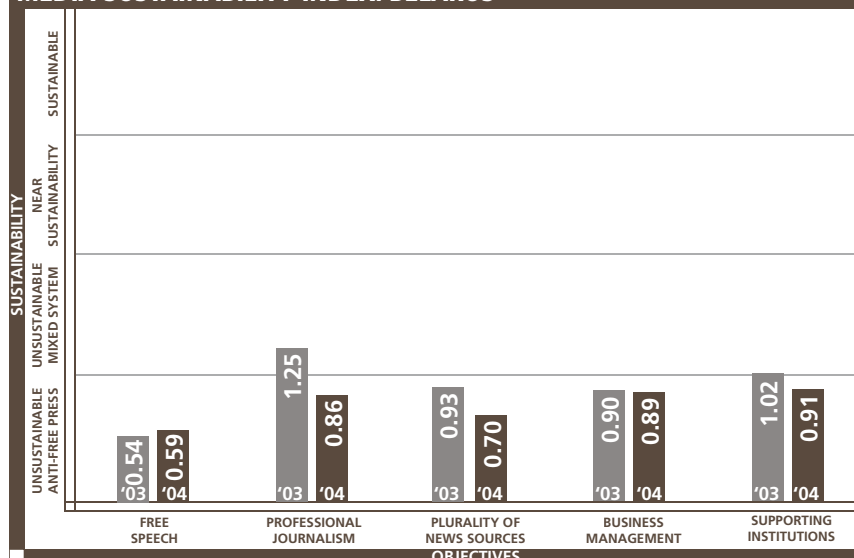
Radio BA, the oldest FM station in Belarus, has a daily share of 7.4%. *2004 data from Novak Laboratory*

- **Number of print outlets, radio stations, television stations:** There are 1,255 print outlets, nine information agencies, 54 television stations, and 136 radio stations. *Belarussian Ministry of Information*
- **Annual advertising revenue in media sector:** US\$40 million in 2004 (including advertising in the press, on television, radio, Internet, and outdoor advertising) *Hepta Group Publicis advertising agency*
- **Number of Internet users:** 14.3% of population *I/SEPS News – Analytic Bulletin of Independent Institute of Socio-Economic and Political Studies, #3, October 2004*
- **Names of news agencies:** BELTA, BelaPAN, Interfax-West, Prime-TASS, Ecopress, Grevtsov Agency, Minsk-News, Financial News Agency, Television News Agency (Belarussian State TV and Radio Company), Register Information and Legal Agency

¹ *Interfax-Zapad* news agency referencing the Institute of Sociology at the Belarussian Academy of Sciences, 2001

² From an interview with Stanislav Buko, chair of the State Committee on Religions and Nationalities at the Council of Ministers, April 11, 2003. This is the newest information on religion in Belarus.

MEDIA SUSTAINABILITY INDEX: BELARUS



"THE SITUATION IS EVEN MORE GRAVE SINCE PUBLIC AUTHORITIES OF THE HIGHEST LEVEL IGNORE THE LETTER OF THE LAW. THIS NEGATIVE EXAMPLE SET BY THEM IS FOLLOWED BY ALL THE OTHER LEVELS OF THE ADMINISTRATIVE HIERARCHY," VASILE SPINEI EXPLAINED.



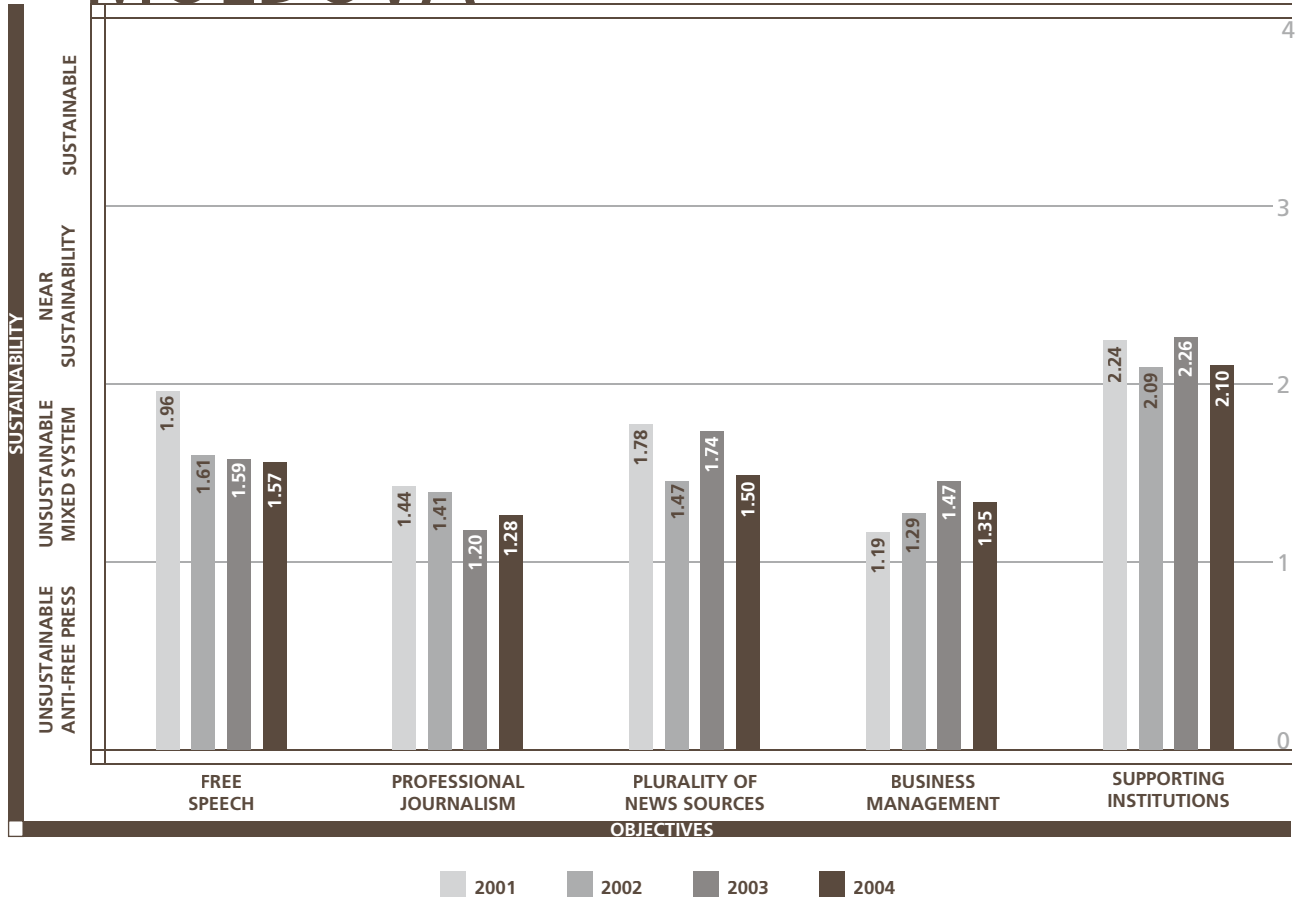
The attitude and actions of Moldova's Communist Party–led government toward the media during 2004 seemed to be most influenced by the elections due in March 2005. Members of the Media Sustainability Index (MSI) panel described 2004 as a period of stagnation at best, with little chance of improvement in the overall political environment or the media situation in particular until after the voting, which was expected to end the Communists' absolute majority in parliament.

When the Communist Party came to power in 2001, it promised to join the Russia-Belarusian Union, to strengthen the role of the state in the economy, and to re-establish some Soviet-style social programs—and with 71 of the 101 seats in the Moldovan parliament, it could amend the Constitution. But being unable to solve the problem posed by separatist Transnistria, including failing to get Russia to withdraw troops from the majority Russian-speaking region, the party changed its orientation and announced European integration as a goal. Declaring itself a European-style Communist Party did not, however, mean that authoritarian habits faded. The democratic opposition, represented by the left-center Moldova Nostra party and the right-center Popular Christian Democrats, accused the communists of re-establishing censorship, conducting ideological purges, ignoring separation of powers, and violating judicial independence.

The government did respond to demands to decriminalize libel by removing from the criminal code the article allowing imprisonment of up to five years, a penalty that had not been implemented in the courts. However, it also ignored calls for changes to the civil code that allows limitless compensation for moral damage, a provision that was used extensively in lawsuits brought against journalists. Moreover, on October 14, 2004, an amendment quickly passed an initial reading in parliament that would require all print publications to re-register as nonprofit organizations.

MEDIA SUSTAINABILITY INDEX

MOLDOVA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

Under pressure from the Council of Europe and the Organization for Security and Cooperation in Europe (OSCE), which asked the Moldovan authorities to create the conditions necessary for free and fair elections, the state-owned radio and television stations were subject to transformation into public institutions during 2003. This proved to be little more than a pretense for the national broadcaster to rid itself of controversial staff. The practice of using public institutions as propaganda against political opponents only increased and became more radical during 2004 as elections approached, while access to supposedly public media became increasingly difficult. For example, the authorities tried to revoke the licenses of the Chisinau stations Antena C and Euro TV Chisinau, two municipality-based outlets that were perceived as supporting the opposition. At the same time, the authorities continued to seize independent media and to allow the proliferation of private broadcasters loyal to the authorities through preferential licensing.

The weak advertising market, the difficulty of attracting capital, and the lack of good management make private media—with some exceptions—dependent on additional funding and therefore exposed to editorial interference from political forces. This dependency continued to fuel self-censorship and partisanship. MSI panelists did see some positive development in the field of investigative journalism, however.

Many citizens, especially those in rural areas, cannot afford to obtain full access to the media. Posta Moldovei continues to monopolize press distribution, and newspapers are delivered late. The development of private distribution networks is stalled by the slow growth of media circulation. The national radio and television outlets, public service in theory only, have preserved their status as the most accessible information sources. The other two television stations that have nationwide coverage rebroadcast programming from Romania (Romania 1) and Russia (Pervii canal v Moldove). In December 2004, the local NIT TV station, loyal to the Communist authorities, received a broadcast license to expand its coverage to 70 percent of the country. Of the three private radio stations covering about two-thirds of Moldova, only one produces its own programs and newscasts. The district authorities have reverted to the Soviet-era practice of publishing their own newspapers, thereby pushing aside the local press. International radio stations are accessible across the country; the Internet is also available from the legal viewpoint, but is limited in many districts due to the inadequate infrastructure.

The schism in the journalism profession along political lines has deepened. This fissure is promoted by the

government, which has reverted to the Soviet-era practice of creating pseudo-democratic institutions, so called governmental nongovernmental organizations (NGOs).

OBJECTIVE 1: FREE SPEECH

Moldova Objective Score: 1.57 / 4.00

MSI panelists differed on whether the legal and practical conditions in which the independent media operate improved or deteriorated during 2004, compared with the previous year. The majority argued that pressure on the media had not subsided, although the Communist Party authorities tried to fake a change of attitude. "This has been a year of disguise," said Val Butnaru, editor-in-chief of the independent weekly *Jurnal de Chisinau*. "The authorities have called repeatedly for the observation of the freedom of press norms, but in reality this has been a year of pressure exercised upon journalists, of limiting access to information."

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Although freedom of expression is guaranteed by the Constitution, enforcing that principle through the ban on censorship remains a serious problem. There have been many accusations of censorship, especially at state television and other state-owned outlets, and legal, political, and economic pressures continue on private

“The authorities have called repeatedly for the observation of the freedom of press norms, but in reality this has been a year of pressure exercised upon journalists, of limiting access to information,” said Val Butnaru.

media. There have been no positive developments in this regard, the panel agreed, and there still are laws contradicting the spirit and the letter of the Constitution and the international norms of free expression.

The panel participants noted that government authorities finally responded to the appeals of civil society and international experts by removing criminal code Article 170, which placed criminal liability on journalists for libel and allowed imprisonment of up to five years. At the same time, panelists were disappointed that the widely challenged civil code Article 1423 eliminating any ceiling on pecuniary compensations for moral damages remains in effect, and is often used in the courts. Experts have repeatedly pointed out that having no limits on such fines restricts the free expression of ideas and opinions and encourages self-censorship. In one case, an investigative story published in January 2004 that exposed the sale of Skoda luxury cars by the Daac-Hermes Company to the State Chancellery, the *Timpul* weekly was sued in court for about \$2 million. *Timpul* lost and had to pay \$110,000 in damages, bankrupting the paper and forcing its closure. (The publisher turned to producing a new weekly, *Timpul de Dimineata*.) There is a clear difference in libel damages paid by state-owned and private media, the latter usually facing higher penalties. “There is (also) a trend toward awarding public figures much higher damages than are awarded to regular citizens,” said Vlad Gribincea, a lawyer for the Center for Human Rights.

Another weakness of media legislation is that the defendant must prove that the information published is true, according to Article 16 of the civil code. Consequently, journalists and media outlets have had to pay damages even when they acted in good faith and verified the information that they published. The judiciary has allowed legal entities to request compensation for moral damages caused by libel.

The publication and the journalist who authored the information are both liable, regardless of the content and whether the publication supported it.

The criminal code contains other provisions that can send a journalist to prison for libel. Article 304 mandates a fine of approximately \$300 to \$750 and up to two years imprisonment for libeling a judge or criminal investigator. The administrative code provides for incarceration of up to 30 days for libel. Although there have been no prosecutions of the media under these articles, the threat remains. “These provisions contradict European standards of free expression, and the Parliamentary Assembly of the Council of Europe recommends that they be revoked,” Gribincea said, citing the council recommendation 1589 of 2003.

On October 14, 2004, Moldova’s parliament gave initial approval to a draft amendment to the Press Law and the Law on Entrepreneurship and Enterprises that would require all print media and news agencies to re-register with the Ministry of Justice in the so-called Single National Register (SNR). Media outlets also would be forced to become nonprofit organizations, an initiative the government claimed would “increase the responsibility of newspapers and news agencies.” Five media-support organizations signed a protest criticizing the government for “attempting to rein in the press before elections by making it think more about registration than about accurate coverage of events and providing information representing public opinion.” The panelists emphasized that government authorities continue their undemocratic practice of passing laws in a nontransparent manner without broad public discussion, particularly through the media.

According to some panelists, the duplicity of the Communist authorities clearly emerged during the transformation that was supposed to turn the state company Teleradio-Moldova into a public institution, a process they said had been badly compromised. The main objective—holding the editorial policy of the company to the standards of a genuine public service—has not been reached, the panelists agreed. “The intentions of the authorities were good, but the Soviet-style reflexes of the Teleradio-Moldova administration took over and they simply took advantage of this situation to get rid of unwanted people,” said Vasile Botnaru, bureau chief for Radio Free Europe in Moldova.

All panel participants agreed that the transformation of the state company into a public institution was not transparent enough. Panelists believed that the hiring panel was not objective or competent, and was composed of people loyal to the government. Protests by journalists from the company’s television

and radio outlets began on July 27, 2004, and observers from international organizations agreed that there were serious questions about the process. The lack of real democratic change at the company led to the resignations of a member of the parliamentary opposition from the broadcast company's governing Council of Observers and a member of the editorial staff who had been appointed to the company's hiring panel. In addition, monitoring of newscasts and sociopolitical, political, and economic programs on TV Moldova 1 and Radio Moldova conducted from June through November 2004 by the Independent Journalism Center (IJC) and the Research Center CIVIS showed that "the existing legislation is not enough to guarantee the editorial independence of the Teleradio-Moldova Company and its operation as a genuine public broadcaster," according to the monitors' report.

In response to criticism from civil society groups and international organizations including the Council of Europe, OSCE, and the European Union regarding the lack of adequate conditions for free and fair elections, Moldovan President Vladimir Voronin requested in December that the Teleradio-Moldova Council of Observers drastically limit the time given to state authorities in the news programs. While some council members perceived this call as interference in the work of Teleradio-Moldova, the majority supported the request. Nonetheless, most MSI panelists agreed that censorship remained common practice at Teleradio-Moldova.

Panel members also reported that broadcast licenses and frequencies are not issued in a fair or competitive manner, a perspective supported by a December 2004 report by the OSCE representative Miklós Haraszti: "Tenders for frequency allocations are offered at very short notice and do not provide enough time for potential applicants to prepare all the necessary documents. The composition of the (tender) Council does not guarantee its objectivity. Also, there is a lack of transparency in the decision process regarding the allocation of frequencies." According to the Broadcast Law, when licenses are awarded, consideration must be given to "the pluralism of opinions, equal treatment of participants, quality and diversity of programming, free competition, national broadcast products, and the programs' independence and impartiality." These criteria are vague, and because all the Broadcasting Coordination Council (BCC) members represent the governing party, licenses can be distributed arbitrarily. For example, in refusing to award a frequency requested by Vocea Basarbiei radio, the BCC stated only that the programming the station proposed was "provincial." The BCC rejected the programming proposed by four television stations (Telecanal-26 in

Chisinau, Albasat TV in Nisporeni, TV Euronova in Ungheni, and TV-Prim in Glodeni), which had planned to create a television production and distribution network. The BCC argued that "these stations included in their programming rebroadcasts from other stations"—a stand that conflicts with the fact that the vast majority of television stations in Moldova received licenses specifically for the purpose of rebroadcasting foreign channels. Only one BCC member voted to award the license.

The BCC is used as a tool for exerting pressure on controversial media, panelists said. On February 3, 2004, the BCC suspended the licenses of Chisinau's Antena C radio station

and Euro TV, two broadcasters viewed as loyal to Chisinau Mayor Serafim Urecheanu, one of the main opponents of President Vladimir Voronin. The BCC

ruled that the foundation documents and legal status of the stations failed to meet the provisions of the Broadcast Law. Civil society groups and a number of international organizations criticized the decision as excessive, particularly because the BCC did not dispute the content of Euro TV and Antena C and the stations were willing to adjust to the law's provisions. Only in early April, after Antena C met specific conditions, did the Registration Chamber finally register the two outlets, which then regained their licenses from the BCC. Even then, the retransmission of Antena C was blocked in some areas because of mysterious "technical problems," and the main cable operator in Chisinau, Sun TV, refused to carry Euro TV in its cable packages.

In late December, after three years of stonewalling, additional frequencies were awarded to Antena C and another putatively opposition channel, Vocea Basarbiei. These licenses were not delivered before a private station loyal to the authorities, NIT, had been awarded coverage to 70 percent of Moldova. NIT will be the only private channel with such broad coverage. Between NIT and control of public TV Moldova 1, the authorities reinforced dominance over television media, which a November 2004 IMAS survey showed was the preferred source of information for 82.5 percent of people living in Moldova.

Most panelists felt that Moldovan legislation does not treat independent media differently from other

"There is (also) a trend toward awarding public figures much higher damages than are awarded to regular citizens," noted Vlad Gribincea.

businesses when they enter the market. However, the economy is not a favorable environment for media businesses, and the government does not try to support the media sector as it does other industries.

And although state and private media are on the same footing legally, there are additional favorable conditions for state-owned outlets. For example, state-owned newspapers do not pay rent at the Press House, where half of the newspapers and magazines published in Moldova are located, while their journalists enjoy the privileges of public servants. During subscription campaigns, the government forces public institutions and state-owned businesses to subscribe to government papers. President Voronin has promised to support publications printed by district councils and to “reduce the tariffs for technical services delivered to local broadcast media.” OSCE representative Miklós Haraszti, reporting on the media in December 2004, said “the concept of taxpayer-supported print media is incompatible with advanced democracy. However, as a minimum requirement, the number of these newspapers should not grow, and there should be no administrative or advertising discrimination against the nongovernmental printed media. There is no need to re-establish the so-called ‘*gazete raionale*,’—that is, the district newspapers paid for by local governments.”

The panelists considered whether the unwillingness of some businesses to advertise with independent newspapers critical of the authorities may be viewed as a form of pressure on such newspapers. “When a business person advertises with a government paper which has a much lower circulation than some independent papers, and when he tells me he was pressured into it, what reasons do I have not to believe him?” asked Val Butnaru, director of the independent weekly *Jurnal de Chisinau*.

Two serious attacks against journalists occurred in 2004. As cameraman Valeriu Timus was filming protests by an opposition party in downtown Chisinau on January 25, 2004, unidentified men posing as law officers seized his camera and tried to take him into custody. The prompt response by other journalists sent the attackers scurrying, but police officers nearby who saw the incident did not intervene. The authorities ignored the case, and the attackers were never found or prosecuted.

On June 23, journalist Alina Anghel, who had investigated the luxury car scandal involving the government and been threatened repeatedly by telephone, was attacked by two strangers while en route to her office. The attackers beat her with a crowbar and disappeared before the police arrived. The journalist was rushed to the hospital, where doctors found that she had a concussion and a broken arm. Little was done to investigate the threats or the attack, and the perpetrators were never found.

According to the Access to Information Law passed four years ago, any individual residing legally in Moldova can request any information or document from public authorities and institutions without being required to provide a justification. In 2004, about 15 lawsuits were filed against public institutions for their refusal to provide public information. Only a few of the cases have resulted in victories by the plaintiffs, while others have languished in the legal system. In one, *Timpul* newspaper was refused access to the transcripts of the parliamentary sessions. In another case, Dmitry Ciubasenco, editor of the weekly *Moldavskie Vedomosti* and known for his criticism of the government, was refused accreditation to access the presidential administration in 2004 “due to the lack of room,” according to a February report in the newspaper. The courts subsequently found the refusal justified.

Monitoring by Acces-Info Center has shown open defiance by public institutions of constitutional provisions such as the Access to Information Law and of international agreements, including the European Convention for Human Rights. “The situation is even more grave since public authorities of the highest level ignore the letter of the law. This negative example set by them is followed by all the other levels of the administrative hierarchy,” said Vasile Spinei, director of Acces-Info.

The state does not limit media access to international news and sources of information, but the financial resources of the outlet or the journalist may prove a barrier.

Journalism may be practiced by anyone, and journalists do not receive any special rights or privileges. There is no official licensing, but journalists often must receive accreditation from state institutions, such as parliament or ministries, in order to have access to news conferences and other events. Foreign journalists must obtain accreditation from the Ministry of the Exterior.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Moldova Objective Score: 1.28 / 4.00

Most of the panelists evaluated the quality of journalism practiced in Moldova as developing very slowly, almost imperceptibly. Some suggested that journalism deteriorated further in 2004 because even news agencies succumbed to political partisanship. Only investigative journalism seemed to be better off. "This is because investigative journalism started practically from scratch," said Angela Sirbu, executive director of the IJC.

Although surveys show increasing popular confidence in the media, it is difficult to see these results as reflecting the real professionalism of the journalism practiced. A November 2004 survey by the Marketing and Polling Institute and commissioned by the Institute for Public Policies found the media to be the second most trusted social institution (62.4 percent level of trust) after the church (68.9 percent). The same survey showed that the most trusted media outlets were TV Moldova 1 and Radio Moldova – even though most journalists (79 percent) questioned by the Center for Information, Training and Social Analysis (Captes) believe that these stations fail to observe the principles of "plurality of opinions, objectivity, and balance."

Professional journalism is gaining ground only slowly in Moldova even though most journalists (80 percent) consider themselves to be informed "sufficiently" and even "to a large extent" about the ethics code adopted in Moldova in May 2000, according to the Captes survey of journalists, conducted in November-December 2004. The code stipulates, among other things, that journalists must distinguish clearly between information and opinion, and use only information they know is true and based on reliable sources. The information should be presented in an impartial manner, and journalists must not receive third-party compensation for publishing stories or opinions. Furthermore, the code states that journalists must respect the privacy of individuals. However, state media and even the owners of some private media, including news agencies, maintain certain "taboo" topics, such as government corruption, abuse of power, or criticism of the president—practices that contradict the principles of free expression and the ethics code.

"The government undermines standards of quality by alleging civic and social concerns. In this way, they attempt to justify bias by promoting fierce 'patriotism' in response to fake threats to the state's integrity and sovereignty," explained Vasile Botnaru.

The Captes survey also found that only 40 percent of the journalists questioned said they "never" accepted tasks incompatible with professional standards, such as writing favorable stories without specifying that they were paid for the coverage. Thirty-three percent of the surveyed journalists believed that the colleagues in Moldova practice political partisanship in their coverage "to a very large extent," while 53 percent said this happens "to a great extent." The reasons for these results were "money" (79.3 percent), "dependence on the state" (6.9 percent), and "lack of professional dignity" (4.6 percent), according to the survey.

Panelists agreed that self-censorship is generally widespread in Moldovan media. Self-censorship is not decreasing and is practiced by both public and private media, they said. Lack of access to information remains another serious barrier to the development of professional journalism.

In 2004, both public and private media outlets already were getting involved in the election campaign.

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

Although supposedly a public broadcaster, Teleradio-Moldova appeared largely pro-government in its coverage, generally starting newscasts with stories lauding the top-level government officials or negative stories about the opposition. Virtually no coverage

“A different principle applies: The less you understand, the more convincing you are,” panelist Irina Severin explained.

of opposition activities was included. “The government undermines standards of quality by alleging civic and social concerns. In this way, they attempt to justify bias by promoting fierce

‘patriotism’ in response to fake threats to the state’s integrity and sovereignty,” said Vasile Botnaru, chief of the local Radio Free Europe bureau.

In 2004, print journalists earned salaries averaging \$100 to \$150 per month, both at private and state publications. In the provinces, salaries averaged between \$50 and \$100. At private broadcasters, journalists are paid an average of \$300 per month. At the state station, \$100 is the average wage. According to the chairperson of the Confederation of Trade Unions of Moldova, Petru Chiriac, even a \$100 salary—promised to the population by the authorities—fails to cover basic needs.

Journalists often seek supplementary income. They also are aware that their salaries do not always depend on

“The stories produced by this center [Center for Journalistic Investigations] represent a positive example and encouragement for investigative journalists,” Vasile Botnaru said.

their performance, but may instead reflect their obedience. Journalists from state and private media are used as tools in media denigration campaigns against political opponents. Young journalists do not

differ much from the older generation in this area, panelists agreed. “A different principle applies: The less you understand, the more convincing you are,” said panelist Irina Severin, editor of the independent weekly *Kishiniovski Obozrevatel*.

Most private radio and television stations have their own broadcast equipment, including transmitters.

Teleradio-Moldova and some private radio stations, including several Russian channels, use the services of the State Radiocommunications Company. Teleradio-Moldova has serious technical problems, with more than 80 percent of its equipment outdated, according to the panel. Private stations are in somewhat better shape, but only foreign stations that are subsidiaries of Russian or Romanian media companies can afford to invest in equipment upgrades.

Investigative journalism was one area that “improved considerably” during 2004, said Val Butnaru, editor-in-chief of *Jurnal de Chisinau*. Most panelists agreed that the creation of the Center for Journalistic Investigations represented a step forward. “The stories produced by this center represent a positive example and encouragement for investigative journalists,” said Butnaru. However, the authorities are not responsive to disclosures made by the press, said Botnaru of Radio Free Europe. Additionally, the high costs of conducting journalistic investigations and the fear of lawsuits in response to the articles continue to hamper media outlets that want to conduct probing coverage.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Moldova Objective Score: 1.50 / 4.00

Newspaper editor Irina Severin expressed the general opinion of the MSI panel members this way: “In order to be informed accurately, and especially to be informed fully, our citizens cannot rely on only one source—one television channel, one radio station, one news agency, or one newspaper. Citizens need alternatives. Unfortunately, most of the time there are no alternatives. Financial, geographic (the person lives in a village), or political limitations (the person lives in the eastern regions of Moldova under the separatist regime) prevent alternatives.”

According to Moldpresa, the state newspaper distribution agency that publishes a yearly list of the publications that can be subscribed to in Moldova, the country’s press landscape has not undergone major changes. At the end of 2004, there were 28 national Romanian-language newspapers in Moldova, of which two were dailies, two were biweeklies, and the rest were weeklies. There were 34 Russian-language newspapers, including four dailies (two published in Moscow) and one biweekly. The government publishes two of these dailies, one in Romanian and one in Russian. Six newspapers, of which one is a daily, are affiliated with political parties. Of the Russian-language papers, six are affiliated either openly or covertly with

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

political parties, alliances that are clear judging by the content. In separatist Transnistria, there are seven newspapers. One is published four times a week, and another one comes out three times a week. There is only one weekly in Romanian, and it is in the Cyrillic alphabet. Additionally, about 40 local and regional publications exist in Moldova, including the Gagauz autonomous region, of which almost half are funded by local budgets.

The number of broadcasters also was little changed in 2004. In addition to Radio Moldova, which covers the entire country, only Antena C, which is owned by the city government in Chisinau, and the private Russkoe Radio and Hit FM cover 70 percent of Moldova. Local radio stations exist in almost all the towns and district centers of Moldova. In television, in addition to public channel Moldova 1, the Russian and Romanian public channels also have nationwide coverage. From December 2004, private but pro-government television channel NIT was to cover 70 percent of the country.

There are no legal restrictions concerning access to the Internet. About 17 percent of Moldova's population uses the Internet, according to a survey conducted as part of UNDP's E-Moldova project in October 2004. Compared with 2003, the Internet became more

available in the major towns of the country. In rural areas, Internet access remained rare. According to an IMAS survey in November 2004, 4.2 percent of Moldova's population preferred the Internet as their source of information, compared with 3.3 percent in November 2003.

The population has free access to domestic and international media, without political, legal, or technical barriers.

However, access is limited by financial capacity. Moldavians can listen to international radio stations such as BBC, VOA, Radio Free Europe, Radio France Internationale, and Deutsche Welle. A number of domestic cable and broadcast operators carry BBC World, CNN, TV5, RAI, Deutsche Welle, and others. Also, the most important channels from Romania, Russia, and Ukraine are accessible.

"In order to be informed accurately, and especially to be informed fully, our citizens cannot rely on only one source—one television channel, one radio station, one news agency, or one newspaper. Citizens need alternatives. Unfortunately, most of the time there are no alternatives. Financial, geographic (the person lives in a village), or political limitations (the person lives in the eastern regions of Moldova under the separatist regime) prevent alternatives," noted Irina Severin.

The high cost of Western and Romanian newspapers price them out of the market in Moldova. However, Russian newspapers are sold at reasonable prices and nearly dominate the information market in the country. In a best-case scenario, an average family can afford to receive one publication. According to a survey commissioned by the Institute for Public Policies in November 2004, about 27.7 percent of the population had not read a single newspaper in the past three months. The survey said 12.4 percent read newspapers once a month or less frequently, and 18.9 percent read a paper several times a month. Only 11 percent of the respondents read newspapers daily.

In contrast to Chisinau, where there is a large choice of information sources, options are few in most rural communities. In many villages, there are no news

kiosks, radio programs are not broadcast regularly, and only one or two television stations are available. Print media reach villages after much delay. Many people are deprived of the most basic information. After a reversal that returned the country's political divisions to the Soviet-era district (raion) system, the government started to fund district newspapers, which undermined the position of independent regional and local newspapers.

A monitoring in June-November 2004 of newscasts and other information programs on TV Moldova 1 and Radio Moldova conducted by the IJC and CIVIS indicated that the supposedly public stations "failed to ensure adequate airtime to all political parties." The survey suggested that the governing party still controlled the broadcasters and used them as propaganda tools, noting "the views of the authorities dominated at the expense of opposing views."

In addition to the state-owned news agency Moldpres, there are a range of private news agencies. They sell their services to news media outlets, foreign embassies, and private companies, but some are subsidized by

unpublicized sources. The MSI panelists expressed concern that even some of the news agencies have chosen political sides, and these affiliations can be determined based on the style of reporting.

Most independent

radio and television stations rebroadcast foreign programs, mainly from Russia and some from Romania. The radio stations broadcast local news (three to five minutes every hour) based on news-agency packages. In Chisinau, only public channels Radio Moldova, city-owned Antena C, Radio Free Europe, and BBC produce their own newscasts. In addition to Moldova 1 and municipally owned Euro TV Chisinau, a few other television stations carry original newscasts: PRO TV, NIT (the first channel from Russian state television), and TV 21. Outside of Chisinau there are local radio and television stations such as Balti, Comrat, Cahul, Cimislia, and Edinet that produce original newscasts.

To obtain broadcast licenses and frequencies, stations must apply to the BCC. Applicants must submit a statement of direct or indirect financial support

from other companies, a list of funding sources with documents proving the viability of funding, the founder's appointment of the station manager, and the manager's résumé. However, such data are insufficient for identifying potential instances of media concentration, and there are no provisions that could ensure the transparency of media ownership. MSI panelists said the governing party uses intermediaries to buy out established independent media, citing examples such as the newspaper *Accente*, which became popular by investigating the dealings of top officials, and the BASA-Press news agency, one of the first private agencies in Moldova. "Given the limited access to information, exacerbated by the population's poverty, the authorities launched massive attacks on independent media in order to take them over," said Valu Butnaru, director of the independent weekly *Jurnal de Chisinau*. "The cases of *Accente* and BASA-Press represent the beginning of a process that threatens to further reduce the segment of free press."

Monitoring of Teleradio-Moldova programs in 2004 showed a discrepancy between the coverage of real issues faced daily by citizens and the topics covered by the broadcaster, which has a mandate for public service, according to panelists. In addition to a marginalization of social issues, they said, there is a reluctance to cover events that would be of interest to the public, such as protests. The programs aired on Euro TV Chisinau and Antena C focus mainly on Chisinau-related issues. Most radio and television stations broadcast or rebroadcast entertainment programs. Independent periodicals cover a much wider range of topics, including social, economic, and minority issues. However, radio journalist Vasile Botnaru considered social journalism "still a territory on which very little is explored compared to political journalism."

Materials published by national minorities (Ukrainians, Gagauz, Bulgarians, and Jews) face financial difficulties. The press in Transnistria and Gagauzia is published mainly in Russian. Most broadcasting favors the Russian language, although media publications are divided about equally between Romanian and Russian. According to the 1989 census, ethnic Romanians represent 65 percent of Moldova's population. The ongoing Transnistrian conflict creates communication problems between the majority Russian-speaking eastern districts on the left bank of the Nistru river and the rest of Moldova, from which this region unilaterally declared independence in 1991 amid suggestions that the country would re-unite with neighboring Romania.

"Given the limited access to information, exacerbated by the population's poverty, the authorities launched massive attacks on independent media in order to take them over," Valu Butnaru said.

OBJECTIVE 4: BUSINESS MANAGEMENT

Moldova Objective Score: 1.35 / 4.00

All the MSI panelists agreed that media revenues fall far below expectations, although there has been some improvement. The group also agreed on the reasons for the poor revenues, although they differed on the order of importance. Moldovan media are largely unprofitable as a result of the very slow development of the advertising market, which in turn depends on the slow development of the market economy in Moldova and the general poverty of the population. Other factors hindering the growth of media are the lack of experienced media managers and the Soviet-era perception that media are propaganda tools rather than businesses.

"Businesspeople remember the media when they need propaganda, not when they think about incomes," said editor Irina Severin. Commercial revenues cover only part of the operating expenses of the outlets, and that leaves the media constantly searching for other funding sources. Printing presses are affected too, since they cannot work at full capacity due to small circulation numbers. Printers cannot upgrade their equipment, and the quality of printing does not meet quality standards.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

The state continues to have an important role in the media market as owner of the Press House, a complex built as a national center for the print media that houses half of Moldova's print publications. The government also owns the press distribution companies (Moldpresa and Posta Moldovei), many printing houses in Chisinau and in the districts, and the fixed radio signal transmission network that is managed by the state enterprise Radiocomunicatii. The government determines the rent fees paid by most newspapers, as well as the printing prices, distribution and newsstand sale prices, and the fees for communication and radio signal transmission services. The emergence of independent press distributors, such as Omnipresa in Chisinau, has failed to decrease the rather high distribution prices.

Media revenues generally continue to depend, sometimes to a high degree, on political and other noneconomic factors. Businesses and advertisers avoid media suspected of supporting the opposition. "As a rule, if you want a lot of advertising, you have to be on good terms with the Communist

authorities. You cannot have both a lot of advertising and criticize the state at the same time. This is not possible in Moldova," said Nicolae Negru of the IJC.

There are two serious impediments to the development of the advertising market. One barrier is the low level of direct foreign investments, which decreased even further after the Communists took power in 2001. The panelists noted that local business leaders avoid investing in advertising because they do not believe in the results from advertising. Some businesses do not advertise in newspapers to avoid the attention of tax authorities. The ad market in Moldova is also weakened by the coverage of television stations from Romania, Ukraine, and Russia. Foreign companies advertising in neighboring countries cover Moldova as well. Anatol Golea, director general

"Media business is nothing more than a declaration of intentions. In reality, newspaper and broadcast directors are still nostalgic for the times when money was provided by somebody else. Consequently, the mimicking of business activity in the media is the ugliest side of Moldovan journalism," Val Butnaru explained.

of Analiticmedia-group, which re-broadcasts the Russian first channel, advocated a prohibition on broadcasting advertising not paid for in Moldova.

While ad revenues have been increasing, they still fail to reach a level that would preserve the media's independence. It is difficult to estimate the real size of the advertising market due to a lack of transparency. However, a brief analysis leads panelists to believe that it is much less developed than the markets in Romania, Ukraine, and Russia.

Subscriptions provide most of the revenue for private newspapers. Some newspapers increase their circulation

through free subscriptions subsidized by unknown sources. Hidden advertising also exists. Newspapers belonging to political parties receive further subsidies from their owners. However, many sources of financial support for the media are unknown. The government does not subsidize independent

“Unfortunately, the independent media are not very well-managed businesses, and therefore the economic situation of many independent publications is pitiful. This state of affairs, in turn, affects the editorial independence of newspapers,” Petru Macovei explained.

outlets. “Unfortunately, the independent media are not very well-managed businesses, and therefore the economic situation of many independent publications is pitiful. This state of affairs, in turn, affects the editorial independence of newspapers,” explained Petru Macovei of the Association of Independent Press.

Market surveys are still rare in Moldova. There is a dearth of information that could be used for designing business strategies and marketing plans. Audience and market-share research commissioned once a year by the IJC with funds from international donors is not sufficient. Although periodicals are required by law to disclose their circulation data, the numbers they release can be inaccurate. There is still no audit bureau for circulation, although discussions have been ongoing about creating one.

Panelists concluded that in 2004 both the advertising market and the tools for studying the market have not been adequate for developing a healthy independent media sector. “Media business is nothing more than

a declaration of intentions,” said editor Val Butnaru. “In reality, newspaper and broadcast directors are still nostalgic for the times when money was provided by somebody else. Consequently, the mimicking of business activity in the media is the ugliest side of Moldovan journalism.”

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Moldova Objective Score: 2.10 / 4.00

Panelists observed that even in 2004, the intense political struggle before the 2005 parliamentary elections made it more difficult for trade and professional organizations to operate. On one hand, media had to defend the freedom of expression and press independence when these rights were threatened. For example, supporting institutions reacted to the suspension of the broadcast licenses of Euro TV Chisinau and Antena C, the protests of the Teleradio-Moldova journalists, and the adoption of the amendment on re-registering periodic publications. On the other hand, these events triggered a split between those who disapproved of the authorities' actions and those who did not want to be cast as opposing the government. Some panelists supported the view that although fighting limits imposed on the media by the government would inevitably lead to accusations of a

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

political motivation, not doing so would mean “giving up a mission one has undertaken.”

As in 2003, private media owners are represented by several organizations. The Association of Independent Press (API) founded in 1997 includes 17 national and local newspapers and magazines published both in Russian and Romanian. The Association of Electronic Press (APEL) was founded in 1999 and represents 22 radio and television stations, production studios, and individual professionals. Both API and APEL provide consultancy services, legal help, and training. API sells advertising in member newspapers to Chisinau businesses. It has also developed and maintained the website of some newspapers outside of Chisinau. APEL conducted a market survey beginning in July 2004 to be made available to its members.

Both associations point to the lack of solidarity among media owners, many of which are politically affiliated and avoid all affiliation with media organizations for fear of upsetting the Communist authorities. The government generally does not like the media associations because they were created with support from international donors.

Among professional organizations, the Union of Journalists (UJM) has been the most active organization defending journalists’ rights. However, some journalists do not participate in UJM activities for political reasons. The League of Professional Journalists, although created by the state in 2002 as an “alternative” to UJM, has stood out in 2004 by declarations of support for journalists protesting at Euro TV, Antena C, and Teleradio-Moldova. Panelists concluded that creating a strong trade-union to bring together journalists regardless of their political views was impossible currently. “Building solidarity is a difficult process, a very difficult one. And the government is doing its best to divide journalists, as it did by creating ‘alternative’ organizations for writers and journalists,” said Nicolae Negru of the IJC.

In addition to API, APEL, and UJM, media nongovernmental organizations (NGOs) actively support freedom of expression and independent media. Among them are the IJC, the Committee for Freedom of the Press, and Acces-Info, which are largely supported by donor assistance. They regularly monitor media legislation, attempt to improve access to information, train media workers, and defend professional rights. NGOs supported journalists from Euro TV and Antena C by helping them secure their re-registration and attracted the attention of the public and international organizations to the half-hearted approach of the authorities in transforming Teleradio-Moldova into

a public institution. In response, the authorities have used articles in the state media to accuse the NGOs of “antigovernment activity.”

Most panelists agreed that the main shortcoming of university journalism courses in Moldova at the Journalism and Communications Faculty at the State University and the Journalism Faculty at the Free International University of Moldova is the emphasis on theoretical instruction. Although there is much debate on the need for substantial practical experience, the situation has not changed. The universities have poor technical resources and lack the equipment for practical courses. Others blame the inertia and the traditional preference of Moldovan universities to teach theoretical concepts. “The veterans of the Soviet school of journalism are still there,” said Angela Sirbu of the IJC.

On the other hand, journalists in Moldova do not always take advantage of opportunities to improve their knowledge. There are opportunities to learn about Western journalism and to acquire new skills

at short-term courses organized by the various media-support organizations. “As a rule, such institutions meet the professional interests and needs of journalists and independent media. The problem here is the lack of interest of some journalists to use these courses, their unwillingness, [or a lack of time] to improve professionally,” explained Petru Macovei, director of the Independent Press Association.

Panelists agreed that except for money there are no other problems for printing companies. Printers are both state-owned as well as private. There are no restrictions limiting their availability. However, in Chisinau, there is only one private printer as an alternative to the state-owned Universul. Another private printing house would not survive because of the low print media circulation. Most local newspapers are printed by private businesses that during Soviet times were part of the Communist Party printing network.

The press distribution system is dominated by two major companies, state-owned Posta Moldovei and SA

“As a rule, such institutions meet the professional interests and needs of journalists and independent media. The problem here is the lack of interest of some journalists to use these courses, their unwillingness, [or a lack of time] to improve professionally,” Petru Macovei noted.

Moldpresa, the successor to the state-owned company Moldsoiuzpechat. They have a virtual monopoly on press distribution in Moldova. The process of establishing private distribution companies is halting because of the slow growth of print media circulation. However, private distributors such as Omnipresna in

“Building solidarity is a difficult process, a very difficult one. And the government is doing its best to divide journalists, as it did by creating ‘alternative’ organizations for writers and journalists,” Nicolae Negru said.

Chisinau do exist. “The monopoly held by state companies on press distribution discourages media professionals and businesspeople from building an alternative distribution network,” stated Val Butnaru, publisher of *Jurnal de Chisinau*.

Internet access is possible without legal restrictions through private providers and state-owned Moldtelecom. The privatization of Moldtelecom was suspended because of the lack of suitable buyers. Specialists believe that Moldtelecom’s monopoly on the communication network prevents Internet-access prices from decreasing, and this monopoly slows the increase in users.

Panel Participants

Val Butnaru, director, independent weekly *Jurnal de Chisinau*

Vasile Botnaru, bureau chief, Radio Free Europe

Irina Severin, editor, independent weekly *Kishiniovski Obozrevatel*

Vasile Spinei, director, Acces-Info Center

Vlad Gribincea, freedom-of-expression lawyer, Center for Human Rights

Angela Sirbu, director, Independent Journalism Center

Petru Macovei, interim executive director, Association of Independent Press

Moderator

Nicolae Negru, editor-in-chief, Mass Media in Moldova bulletin, Independent Journalism Center

Observer

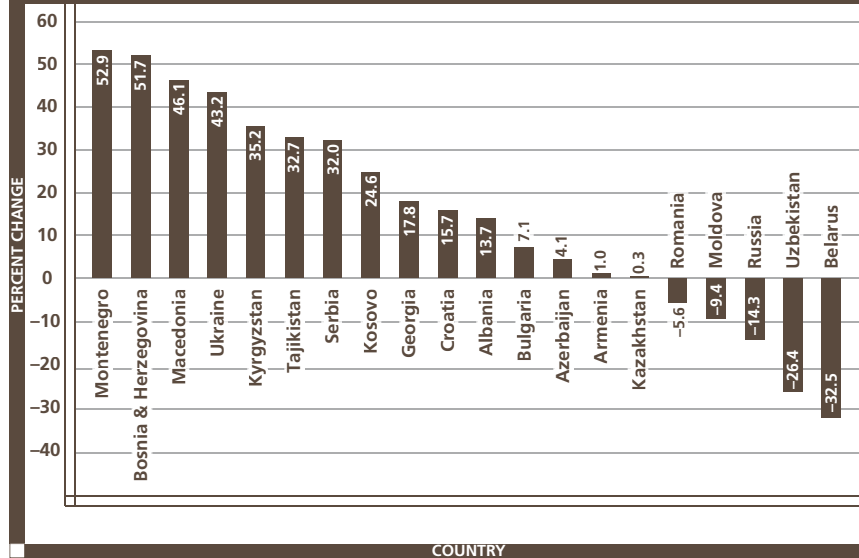
Iuri Datii, IREX Representative, Moldova

MOLDOVA AT A GLANCE

GENERAL

- **Population:** 3,968,071 *October 2004 census* www.statistica.md/recensamint/Date_prel_Recens_din2004.doc
- **Capital city:** Chisinau
- **Ethnic groups (% of population):** Romanians 80%; Ukrainians 8%; Russians 6%; Belorussians 4%; Gagauzians, Bulgarians, others less than 1% *Timpul, April 1, 2005*
- **Religions (% of population):** Eastern Orthodox majority, Baptist, Catholic, Jewish, and others
- **Languages (% of population):** Romanian (official), Russian, Ukrainian, Gagauz (a Turkish dialect), Bulgarian, others
- **GDP:** 29.6 billion lei (US\$2.45 billion) (without Transnistrian region); purchasing power parity: \$7.792 billion *World Bank*
- **GDP/GNI per capita:** Per capita GDP in 2004 (according to preliminary estimates) was 9584 lei (US\$767); purchasing power parity: US\$1,800 *World Bank*
- **Literacy rate (% of total population):** 99.1% *World Bank*
- **President or top authority:** President Vladimir Voronin
- **Next scheduled elections:** Parliamentary March 6, 2005

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



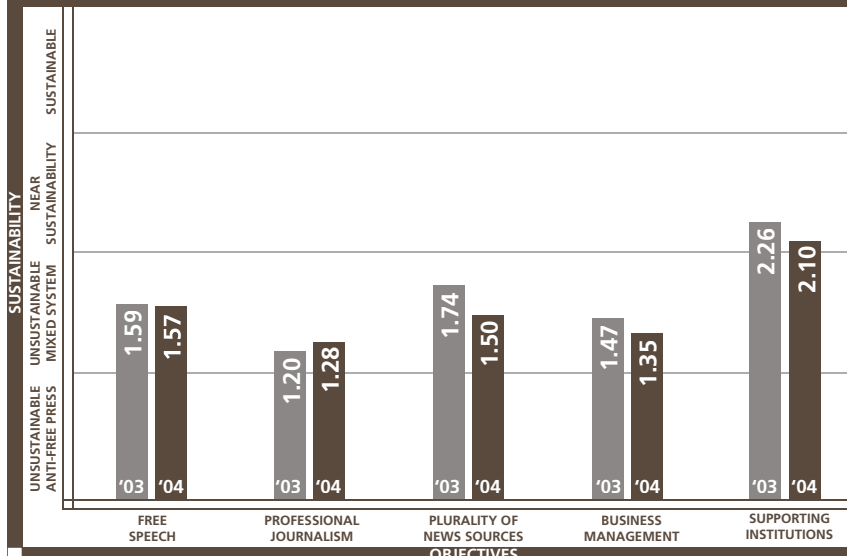
MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** Largest newspaper is *Flux*.
- **Broadcast ratings (top three ranked stations):** Radio Moldova, Russkoe Radio, Hit FM *Media Audience Survey conducted in October 2004 by IMAS at the request of the Independent Journalism Center*
- **Number of print outlets, radio stations, television stations:** There are 28 national Romanian-language newspapers, of which two are dailies and

two are biweeklies. The rest are weeklies. There are 34 Russian-language newspapers, including four dailies (two published in Moscow) and one biweekly. The government publishes two of the dailies mentioned above—one in Romanian and one in Russian. About 40 local and regional publications exist. In Transnistria, there are seven newspapers. *Moldpres's catalogue of publications at the end of 2004.* There are 40 radio stations (one radio station broadcast by wire) and 167 television stations (51 private and 116 cable operators). *Broadcasting Coordinating Council (BCC) January 2005*

- **Annual advertising revenue in media sector:** NA
- **Number of Internet users:** 150,000 *World Bank*
- **Names of news agencies:** Infotag, Basa-press, Reporter.MD, Moldpres, Infoprim, Interlik, AP Flux, Infomarket, Deca-press

MEDIA SUSTAINABILITY INDEX: MOLDOVA



“GOVERNMENT SUBDUED THE INFORMATION FLOW IN ORDER TO SHAPE PUBLIC OPINION,” SAID CENTER FOR JOURNALISM IN EXTREME SITUATIONS DIRECTOR OLEG PANFILOV.



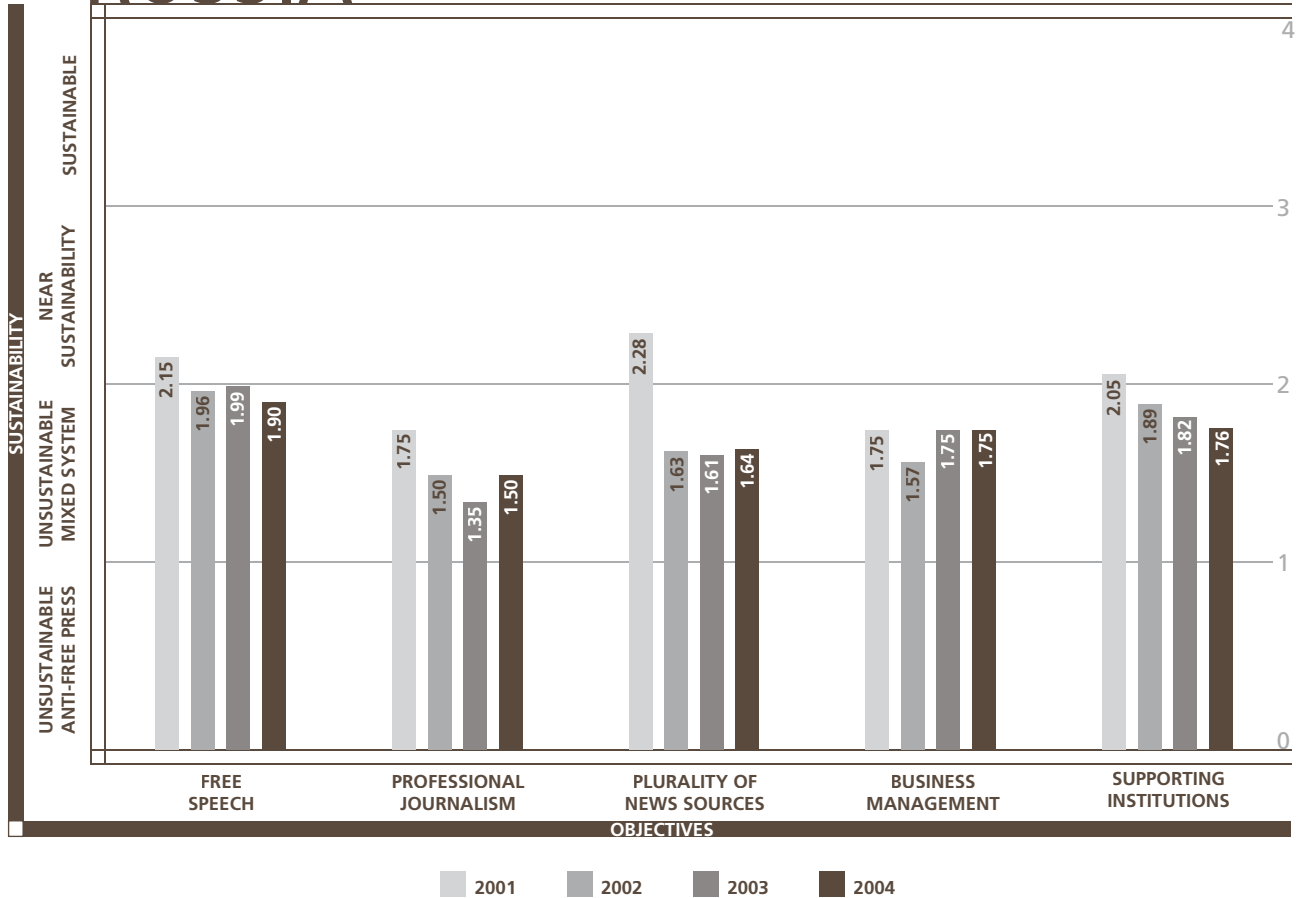
In 2004, Russia's media continued to operate under growing pressure from the federal and local government. It is no accident that the advocacy group Reporters Without Borders placed Russia 140th out of 167 countries in terms of press freedom in its annual report. The group cited "biased coverage" of the school hostage crisis in Beslan as "a flagrant illustration of the total control exercised by the Kremlin over the national TV stations." It also noted the limitations the government placed on reporting from the conflict zone in Chechnya and attacks on journalists, including the killing of the editor of the Russian edition of the US business magazine *Forbes* in Moscow.

The 2004 Media Sustainability Index (MSI) panelists described the pressures on the media evident during the year as an extension of a standing Kremlin policy that views the journalists as "administrative resources" to be used to bring citizens into line in support of the government. Panel members cited as an example the blatantly slanted coverage of the presidential elections in Ukraine, during which the pro-Russian candidate was bolstered by the government-controlled television channels. "Government subdued the information flow in order to shape public opinion," said Center for Journalism in Extreme Situations director Oleg Panfilov.

Viewers of the government-aligned national channel NTV are no longer able to watch a number of provocative political programs such as "Svoboda Slova" ("Freedom of Speech"), a political talk show hosted by Savik Shuster, and the satirical cartoon show "Krasnaya Strela" ("Red Arrow"). These programs were shut down without convincing explanation by the newly appointed management, viewed as largely loyal to the Kremlin. Also in 2004, Leonid Parfenov, the anchor of the quality infotainment show "Namedni," was fired after he told the newspaper *Kommersant* that NTV management had forbidden him to air an interview with the widow of Zelimkhan Yandarbiev, a leader of Chechen separatists. After five months during which no television channel would hire him, Parfenov took a position as editor-in-chief at the Russian edition of *Newsweek* magazine. MSI panelists also noted that journalists make few serious attempts to resist

MEDIA SUSTAINABILITY INDEX

RUSSIA



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

pressure from the government, and the general public remained relatively indifferent as well. In 2000, more than 70 public protests were held against the takeover of NTV by a team appointed by the state-controlled shareholders. According to the Center for Journalism in Extreme Situations, there were fewer than 30 such events during 2004.

Panel members remarked on a paradoxical trend in Russian media: Many media develop successfully as enterprises, the advertising market grows steadily, and media managers gain more experience working in the market environment, but media content becomes more “shallow” due to political pressure. Having matured as businesses, Russian media nonetheless have not created better journalism. Reporting is too careful, too muffled, and too bland as far as political coverage is concerned, the panelists agreed.

“In his time, Reagan called the USSR the ‘evil empire,’” Aleksei Samokhvalov, director of the National Research Center on Television and Radio, told *Nezavisimaya Gazeta*. “Now, 13 years after the USSR broke up, watching the presidential, parliamentary, and other elections, I think that instead of the evil empire we have become the empire of lies.”

In explaining this phenomenon, panelists suggested that politically muted media guarantee their owners safety, both personally and for their businesses. Popular shows turn more profits than political analysis, and that is why entertainment prevails both in print and broadcast media. Correspondingly, the entertainment media have indisputably grown with regard to professionalism.

Despite the negative overall climate for the media, the panel noted that there are outlet owners who do want to run their businesses more effectively, not only to survive but also to improve editorial and business management capacity. As a result, there are outlets such as Moscow’s Ekho Moskvyy radio station that can be deemed relatively independent and able to present a range of opinions to their audiences.

OBJECTIVE 1: FREE SPEECH

Russia Objective Score: 1.90 / 4.00

All MSI panelists agreed that Russia has a fairly sound legislative basis for gathering and disseminating news and information, beginning with the Constitution. However, implementation of these laws is selective. Judges’ dependence on state and local authorities has become commonplace, and few judges would be

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

expected to dare to rule against a governor who charges the press with infringing his honor and dignity. As a result, panelists noted, the media take the journalistically questionable alternative path of using innuendo and suggestions while omitting “risky” names.

This practice is especially true during elections. Purportedly to ensure fair voting uninhibited by the manipulation of public opinion by media owners, legislators banned media from serving as independent agents in election campaigns—effectively barring them from probing the candidates’ programs and personal qualities, and leaving them only the ability to present political advertising paid by candidates or parties.

Theoretically, media are allowed to publish news and analyses on the elections provided the coverage is balanced. In practice, however, simply mentioning a candidate’s name may open the outlet to an interpretation that brings with it administrative prosecution. Incumbent governors up for re-election tend to benefit from these legal restrictions on press coverage as newspapers controlled by local administrations do not hesitate to blanket their

front pages with a governor's portraits, knowing it is unlikely the authorities will bring any action against them. MSI panelists noted that United Russia, calling itself the pro-presidential party, received substantially more coverage on state-controlled television channels than any other party.

The overall media law has been on the Duma's waiting list since 2003. Various versions have circulated, each with its own supporters in the media community. Some in the industry believe the law needs to be modernized to recognize current business conditions for the media. Others contend the current statute is sufficient, or at least that it would be dangerous to tinker with it for

Oleg Panfilov said: "There will be no freedom of speech in Russia as long as there exists at least one newspaper owned by the state."

for fear that the resulting version would be more restrictive or even less coherent than the current situation. As a result, the process has stalled in the Duma. The parliament did

attempt during 2004 to amend the media law to ban the airing of "acts of violence and cruelty" on television, without specifying what constituted those acts. Experts warned that the lack of clarity would open it to equivocal interpretation, and that even feature films about war could fall into the prohibited category. The amendment was returned to the Duma for recasting after being reviewed negatively by the president's office.

The MSI panel members all reflected on growing public apathy regarding the freedom of speech, which they said was not valued highly as a democratic principle. Yevgeny Abov, vice president of the Guild of Press Publishers (GIPP), said this pervading apathy "is based on the public distrust of the press in general and society's disbelief that media can be independent in principle. This disbelief is mainly caused by the press itself, for which paid articles, 'information wars,' and the violation of standards of professional behavior have become the norm."

Entering the market as a print publication is relatively simple in terms of legal regulation. Securing a broadcast license can be accomplished more easily in small cities, but it becomes considerably more difficult in major cities and even more complicated if registering a news and information station rather than one limited to music and entertainment. Irina Kosheleva, a Foundation for Independent Radio Broadcasting consultant, said

licensing is not fair or competitive because the new Federal Commission on Licensing appointed in June 2004 included too few nongovernmental organization (NGO) representatives. Of 10 commission members, only two represented civil society: Vladimir Pozner, president of the Academy of Russian Television foundation, and Eduard Sagalayev, president of National Association of Broadcasters. Pozner subsequently resigned, saying that the poor representation signaled "distrust" of nongovernmental participation in the panel. In any case, the Commission barely worked during 2004, not convening after it was reconstituted. By the end of the year, the Ministry of Communications had not resumed granting frequencies.

There is no organization in Russia monitoring all of the cases of violence against journalists, although the Glasnost Defense Foundation collects some statistics. There is an ongoing lack of clarity about whether the attacks are related to the journalists' work, and, as the authorities rarely resolve the cases, definitive answers do not generally surface. According to a Russian Union of Journalists report, out of 15 journalists killed in 2004, two cases might be linked to the victim's job. One slaying, that of the Russian *Forbes* editor Paul Khlebnikov, who was shot on a Moscow street, attracted considerable international attention. Of approximately 200 attacks on reporters during the year, perhaps half of them may be considered as occurring in the line of duty, such as attacks on camera operators by aggressive security forces.

The MSI panelists agreed that Russia's journalists are more endangered by the pressure exerted on the media through the criminal and civil codes. From 8,000 to 10,000 lawsuits a year are filed against media, mostly civil cases alleging defamation "of honor, dignity, and business reputation" under the civil code. The number of criminal suits against reporters for "slander" and "insult" increased dramatically after Vladimir Putin became president. During President Boris Yeltsin's nine years in office, only four criminal cases were brought against the media. This figure rose to 49 cases in 2002 and 35 in 2003, the last year for which data was available. While some of the civil and criminal cases brought against the media might result from lack of competence on the part of journalists, the suits are viewed in many cases as being a form of harassment intended to have a chilling effect on the work of news organizations. Dimitry Surnin, of the Eurasia Foundation's media program, noted that many issues and institutions simply do not get covered because the media practices self-censorship for a range of reasons, including fear of lawsuits.

It remains legal for government entities to own media outlets at the local, regional, and national level, and MSI panelists said this has a major impact on the freedom of the media and on the business environment in which outlets work. Oleg Panfilov said: "There will be no freedom of speech in Russia as long as there exists at least one newspaper owned by the state. The government replaced that freedom with propaganda. As long as state-run media dominate, there is no sense in talking about the freedom of the press."

Federal law guarantees all media outlets equal access to information. In practice, however, outlets owned by regional or local governments often receive preferential treatment in accessing public information or in interviewing public officials. The offices of mayors and governors may invite only loyal journalists to news conferences or other official events.

Russia still does not have public media, and a national discussion on this has not taken place nor has legislation establishing a public broadcaster been put forth. National broadcaster Radio Russia claims public status due to a variety of programming and the largest geographic coverage, but MSI panelists said its state ownership is evident.

Across the board, MSI panel members said, it remains very difficult for journalists to get information from public officials. There are multiple federal laws stipulating access to information, starting with the Constitution and including the media law, which specifies the right of a journalist to seek, request, obtain, and disseminate information. How often bureaucrats defy these rights of access is difficult to estimate because journalists seldom report such cases and do not want to push the issues for fear of losing what sources they have. The Center for Journalism in Extreme Situations records 200 to 300 reported cases annually but suggests the number is hundreds of times less than the real situation. Oleg Panfilov stressed that journalists are reluctant to enforce their right of access to information through the public prosecutors or the courts because they are not confident of their independence. They are particularly hesitant to invoke Article 144 of the criminal code, which punishes officials who prevent journalists from executing their professional duty, he said.

MSI panelists also noted a difference in the way President Putin communicates with international audiences vs. with Russian media. After the Beslan crisis, President Putin spoke with a pool of foreign reporters for three hours, while Russian journalists were deprived of a similar opportunity. News conferences during international trips and other high-profile events do include Russian journalists but are tightly controlled.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Russia Objective Score: 1.50 / 4.00

Although there are brilliant journalists whose work meets the needs of the most discriminating readers, the panel noted the overall decline in the professional quality of journalism in Russia. The main reason cited by the panelists is the dependence of media on government as well as private owners, who too often view their outlet as a means of political influence rather than an information business. As a result, the current political situation, the owner's mood, or personal relationships may define media content, and a sudden change in any of these can radically alter news coverage.

Media dependence is explained in part by the exceedingly large number of media outlets competing for a limited advertising budget. "Journalism hardly clings to media economics since most media don't cling to advertising; hence, the media dependence on government and private interests," said Andrei Richter, director of Media Law and Policy Institute in Moscow.

The panel believes that 80 to 85 percent of Russian media receive government support. State-run or government-influenced media outlets are always somewhat biased, and some panelists insist that they

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

are totally and intrinsically biased, amounting to public-relations vehicles. "Chief editors may not need direct orders on what to print or not, but each of them knows what kind of stories they may be fired for," said Irina Kosheleva, of the Foundation for Independent Radio Broadcasting.

Certain subjects such as Chechnya, the YUKOS oil company, and Putin's policies are deemed too sensitive for most editors even to attempt independent and

"Chief editors may not need direct orders on what to print or not, but each of them knows what kind of stories they may be fired for," said Irina Kosheleva, of the Foundation for Independent Radio Broadcasting.

balanced coverage. Raf Shakirov, editor-in-chief of *Izvestia*, was forced to resign after publishing a September 4, 2004, issue with dramatic photography from the Beslan school hostage crisis. ProfMedia, which owns the newspaper, was

widely believed to have fired the editor either knowing or anticipating the Kremlin's reaction to the coverage.

The Beslan story became, in many ways, a litmus test for media professionalism. The footage of the tragedy presented by national broadcasters was called by some media critics "another reality" because it had little to do with what really happened there. State television channels not only carried on with entertainment programming through much of the crisis but also misled the audience during the news coverage it offered. For example, in reporting about the number of hostages taken in the Beslan crisis, the stations relied completely on a government official who stated on camera that there were 320 hostages. On the first day of the crisis, however, it was clear from local residents that the number was at least four times higher, as was being widely reported by international media based on multiple sources.

Major national newspapers did a considerably better job presenting fair, diverse, and competent coverage of the Beslan crisis. Many regional media practically ignored Beslan, however, and did not try to add anything new to reports from the central outlets.

The panel agreed that self-censorship in Russian media has increased to the extent that, according to Dmitry Surnin, it is now not a matter of "I want to write about this, but I am afraid" but rather "I dare not think that

I can write about it." "Journalists don't even want to go in-depth, but not due to laziness," Surnin said. "It is a kind of inner paralysis when important subjects are blocked by the mindset in which reporters say to themselves, 'It can't be interesting,' or 'There is nothing to write on.'"

Even journalists at independent media may be wary of bringing up certain subjects for fear of possible lawsuits that might threaten their organizations with crippling fines. "Freedom of speech at our publication is sort of internal," said Aleksandr Lazarev, deputy director general at Kostromskaya Narodnaya Gazeta publishing house. "We agreed not to cover certain sensitive issues to avoid lawsuits. We go to court two to four times a month, but win 90 percent of cases thanks to a good lawyer." Mikhail Arenzon, director general of Yat publishing house in Kolomna, disagreed: "The risk of a lawsuit comes to naught if issues are covered professionally. A story that leaves the possibility of a suit against the newspaper may indicate the editor's and reporter's incompetence."

"Political self-censorship is strong, but ethical self-censorship is weak," said GIPP vice president Yevgeny Abov. "Reports and news stories are as a rule based on the author's opinion and do not meet the accepted standard of separating news from opinion." The panel pointed out that ethical violations in the media are abundant. Codes of professional ethics exist, but a breach of a code does not produce significant negative reaction in the journalism community or within the general public.

Pay levels for journalists differ significantly. As a rule, wages are higher at national media than at the regional level. Salaries are higher at broadcast outlets than at print, and they are higher at private media than at those owned by the state or a municipality. At small local papers journalists might earn about \$100 per month, but at Moscow-based or specialized outlets, journalists can make \$1,000 and up. The panel members estimated the level of corruption within media to be high, with many editors and journalists accepting payment for covering—or not covering—stories and putting "hidden" advertising in the news pages. However, the panel agreed that a mere salary increase would not solve the problem since much depends on the journalists' individual will and training.

Entertainment programming is politically safe and financially more lucrative than news and information, especially in the broadcast sector, the panel observed. However, there are examples of economically efficient stations, at least one in each federal district, that exist

by airing information programming. Radio Premier in Vologda was mentioned as one example.

Despite some popular political programs vanishing from the air, there are still a large number of newscasts or analytical programs. "There is a group of people that want to know what happens. They want to make decisions and hate to be fooled. This group may be not too large, but it does exist, and it is attractive for advertisers," said Eurasia Foundation's Dmitry Surnin.

Technical facilities and equipment for producing news are fairly up-to-date, especially at print media, although newspapers may lack specialized software. Equipment for information-gathering may be a problem for local television stations. At these stations, semi-professional cameras and editing equipment, as well as shabby studios, are still widely used.

Panelists noted that media do practice niche reporting, even though reporters and editors lack the expertise to make a "quality niche product." One panel member observed that many social issues in which Western reporters specialize are disregarded by counterparts in Russia. For instance, not a single reporter showed up at a seminar on orphans that the Federation for Independent Radio Broadcasting organized in Khabarovsk. As positive examples, respected outlets such as the *Vedomosti* newspaper and the RBC-TV business channel display competence in specialized reporting.

Also limiting the quality of journalism in regional cities is the lack of journalists who have been trained in international standards of news-gathering and editing, and the inability of smaller media outlets to afford subscriptions to major news agencies.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Russia Objective Score: 1.64 / 4.00

A variety of news sources are generally accessible to the public, but there are differences in quantity and quality depending mainly on the income level of the region, the amount of business activity, and the development of the advertising market. According to the Business and Press – 2004 Forum, the gross circulation of print media in Russia reached 10 billion copies, with each copy read by two to three people. A poll cited at the Forum indicated that 57 percent of Russians read daily papers, while 70 percent read weeklies. About 7,000 broadcast stations operate in Russia.

According to the Public Opinion Foundation report "Internet in Russia," the number of Internet users in 2004 reached at least 15 million people, up 50 percent

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

from the previous year, with 16 percent located in Moscow. Most Internet users are people with an income of at least \$100 per month per family member. Internet access is comparatively easy in the cities but may still be unattainable in rural areas. The Internet also may be the only unrestricted link to international information, a panel member observed. International radio stations also provide alternative sources of news.

Andrei Richter, director of the Media Law and Policy Institute, suggested that there is no media "menu" from which a consumer may easily choose, and that accessing required

information might well take some effort. Consumer research suggests that newspapers are more trusted than broadcasters. However, readers do not seem to maintain loyalty to specific newspapers or magazines but switch among different titles.

"The culture of news production is being washed away from the newspapers as daily publications disappear," said Dmitry Merezhko.

Radio and television broadcasts are accessible throughout the country, except in some mountainous areas. Cable television is available in the cities. In rural Russia, obtaining Moscow-based “quality” newspapers is hampered by logistical problems such as the high cost of subscription deliveries in the regions and vandalized mailboxes in apartment blocks. Some major newspapers gave up local printing to reduce costs, causing more delivery delays. *Izvestia*, for example, is not sold in 46 out of the 88 regions in Russia. According to Dmitry Murzin, of the Vechernaya Moskva publishing company, readers buy papers less regularly and resort more to “unpaid reading” of free papers delivered to their mailboxes. Another trend is that weekly papers are gaining a competitive advantage over daily publications.

Most regional media are focused primarily on local news for a number of reasons, including movement toward adopting the marketing principle that it provides a competitive edge for their outlets.

Panel members were unanimous that national state media do not cover the whole political spectrum in Russia. For the most part, these outlets are closed to any dissenting opinion or comment. With opposition representatives barred from appearing on these channels, the media are left to “comment on their comment.” Channel One prepares special weekly guidelines for its reporters and editors, instructing them what kind of spin is to be put on covering events, according to a report in the February 24–27, 2005, edition of *Novaya Gazeta*.

Glasnost Defense Foundation chair Alexei Simonov said news programs on major channels are getting more uniform and bland. Panelists said political programs may be made to order by the authorities and prerecorded, and that the broadcasters would likely not send crews to news conferences held by human-rights organizations.

Panelists explained that independent news agencies in Russia exist, but many regional media cannot afford to buy their services. Some panelists were reluctant to consider the information gathered and distributed by the three major news agencies—the state-owned RIA-Novosti and ITAR-Tass and the private Interfax—as independent, considering the agencies’ lack of coverage of the conflict in Chechnya.

Unable to afford news agencies, media rely on the various Internet news agencies. RosBusinessConsulting (RBC) is leading the pack in the numbers of Web visitors. However, panel members highlighted the questionable reliability of some information in the Russian media due to the tendency of Internet

agencies to recycle news taken from other agencies without checking original sources. “The culture of news production is being washed away from the newspapers as daily publications disappear,” said Dmitry Merezhko, executive director of the Association of Independent Regional Publishers (ANRI). “Newspapers may be losing the unique content that they could easily sell.”

Most regional media produce news programs of their own, but the character of the news and the manner in which it is presented depends on the whims of the owner or sponsor. Because few highly trained journalists work at the regional news outlets, newscasts aired by local stations may consist of news releases crafted by PR people at public institutions and private companies. Outlets dependent on government budgets also sometimes sign “information service contracts” with local authorities to distribute information favorable to the “customer.”

Media ownership is not openly publicized, but neither is it kept secret. People are often aware of who owns a newspaper or station and tend to believe that there is no really independent media, though some are in opposition to the government.

Panel members agreed that minority issues are not deliberately curtailed or restricted, although this niche targets a limited audience represented by certain nationalities because most Russians appear not to be interested in the problems of ethnic minorities. Minority-language media exist, but they are predominantly financed by the state and subject to available funds and priorities. The panel noted the growing xenophobia exhibited by Russian media after the war in Chechnya resumed in 1999, directed not only toward Chechens, but also other nationalities of North Caucasus and Central Asia.

OBJECTIVE 4: BUSINESS MANAGEMENT

Russia Objective Score: 1.75 / 4.00

Over the past three years, commercially independent media have increased their revenues. Editors are more likely to view themselves as content managers, keeping in mind that people vote for media content and “packaging” with their money. Panelists observed that this positive dynamic has not radically improved the freedom-of-press environment, however, as media continue to practice self-censorship. President Putin’s 2003 declaration that media independence is based primarily on the economic efficiency of the media sector does not reflect the reality of the government’s policy of tightening the screws on the press, panelists said.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

“Doing business brings with it the burden of property,” said ANRI director Dmitry Merezhko. “It was a good idea for media companies to learn to thrive by selling information products. When these companies emerged, the government started to crack down on large proprietors, so that smaller owners became cautious not to risk their property. That is why there are still very few successful entrepreneurs who built their business solely on information.”

Highly developed media have long understood the necessity of separating editorial and business management. Newspapers that allow themselves to be sharply critical on certain issues are those in which chief editors and directors are not the same person, Merezhko said. Otherwise, papers tend to behave more warily.

State-owned printing houses may be considered as hindering newspapers’ operations, primarily by hiking printing tariffs. Meanwhile, the federal postal service is still a virtual monopoly, although there are 11 other small licensed distributors. In 2004, the federal post office announced that because of restructuring, it would not collect subscription money any longer and urged the local publishers to sign contracts with the Interregional Subscription Agency, a private company being forced on newspapers as an obligatory go-between while the postal service still delivers copies. The federal postal service offers delivery at prices

that may be two times the actual cost of newspaper production. Ambitious newspapers can find ways of alternative distribution in order to drive down the postal prices, and when the post sees it may lose a client, it may become more flexible in negotiating delivery price.

Panelists said there is a huge disparity in subscription prices between independent and state-subsidized publications, which charge far below production prices and thereby distort the market. However, Aleksandr Lazarev, deputy

director general of Kostromskaya Narodnaya Gazeta publishing house, contends that purely economic means of regulating the market exist, particularly competing for readership by better meeting readers’ demands.

“Within four years we outstripped all state-subsidized papers,” he said. “Despite the fact that they sell copies four times cheaper, we took the lead in sales. It all depends on management. It is a matter of running a business correctly.”

The advertising market in Russia has been rapidly growing. The amount of advertising sold in 2004 reached \$3 billion, an estimated 30 to 35 percent increase compared with the previous year. Advertising sales on television are expected to top \$1.5 billion, of which 25 to 30 percent is earned by regional stations. Because advertising on television is comparatively inexpensive, programming is subject to long commercial breaks lasting up to 10 minutes during prime-time on major federal channels.

Cheap commercial television slots take away advertising clients from radio stations. As a business, radio has been stable but not necessarily lucrative. Radio stations earned \$150 million on ads in 2004, a 25 percent growth rate. Radio stations in the regions may be losing potential audience and income because of insufficient transmission power. However, these stations do not have the financial means to build their infrastructure. “From a business point of view, it is more efficient in the provinces to retransmit a Moscow-

“Despite the fact that they sell copies four times cheaper, we took the lead in sales. It all depends on management. It is a matter of running a business correctly,” said Aleksandr Lazarev, deputy director general of Kostromskaya Narodnaya Gazeta publishing house.

based FM channel than to set up a new one," said Irina Kosheleva, of the Foundation for Independent Radio Broadcasting. Local channels often use programming from Moscow stations to make themselves more attractive to advertisers.

Newspapers accounted for \$1 billion of advertising sales in 2004. Most periodicals sell advertising space directly, without using agencies. The amount of advertising placed in the regional media through Moscow-based agencies is small because of poor market research and media measurements, as well as the high prices that local media charge Moscow clients. A strong point of the local media is that they achieve high readership/viewership at low cost, thereby making them attractive to advertisers.

Internet advertising is still rather limited. Panel members stated that market research remains too expensive for most media companies. Most still do not know how to devise a business plan and use

research results. Marketing has been more widely applied in the broadcast sector. Nevertheless, there are strong examples of newspaper managers learning to use audience measurements to

"From a business point of view, it is more efficient in the provinces to retransmit a Moscow-based FM channel than to set up a new one," said Irina Kosheleva.

control content, circulation, and advertising clientele. A good example would be the newspaper *Sloboda* in Tula, with circulation over 100,000 in a provincial town with the population of 400,000.

Local authorities in many regions invite newspapers to participate in tenders for the right to publish official information. Such papers would receive funding to cover their expenses. All media, regardless of their ownership, are said to be able to compete. Some find it a civilized way of dealing with the authorities that allows leeway for winning outlets to criticize the government sponsor, but the process can be viewed as a form of subsidy. Eurasia Foundation's Dmitry Surnin said he advises newspapers to avoid participating in such tenders altogether since dependence on government grants is similar to dependence on a major advertiser. This occurs, he said, "when you have to think twice before you write something that may affect that company's interests."

Some panelists were concerned about pressure by the government on rating agencies and other attempts to

interfere in media measurement practices. For instance, until recently, TSN Gallup Media held a monopoly in the television-audience measurement market. In 2004, state-controlled Channel One proposed to replace the company, viewed by some critics as an effort to receive higher ratings. Ultimately, Gallup refused to take part in the tender since it feared the process would not be transparent. Measurement techniques offered by ABG Television, a new contractor and Gallup's main rival, were expected to increase the viewership share of Channel One, which has 100 percent coverage in Russia.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Russia Objective Score: 1.76 / 4.00

Trade associations exist partly on membership fees and offer a wide range of services to their members. Services include information databases, legal defense and mediation, analysis and consulting, education and training, lobbying, and website development.

The Guild of Press Publishers (159 member companies), the National Association of Broadcasters (424 federal and regional members), the Union of Periodical Press Publishers and Distributors (232 members), and the Association of Independent Regional Publishers (21 members) have gained membership in 2004. These and other trade associations strive to shape a civilized

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

media market with less state interference, and to regulate the conduct of the market players and relationships among them.

Some panel participants mentioned that the traditions of partnership and cooperation have not yet been established in the Russian media. Many outlets do not see the need to strengthen their professional community. Poor professional solidarity stems from the division of media into government-sponsored (or sponsored by private business interests) and economically independent outlets. The corporate interests of these two categories generally contradict each other.

One panel member remarked that protecting journalists' rights has not been effective because existing associations focus on documenting violations and publishing reports rather than taking action to stop them. The Center for Journalism in Extreme Situations has demonstrated monitoring success by publishing on the Internet a rather comprehensive report on crimes against journalists, government attacks on media, media and elections, lawsuits won by journalists, and so on.

Panelists do not believe that Russia's Union of Journalists, the largest and oldest professional association formally independent of the state, is able to effectively protect journalists. One of the main reasons is that most RUJ members work for state media. One panel member said he finds it "stupid to protect state-hired journalists who have a different status and thus different rights rather than journalists from independent media. RUJ is like an appendix, but the time has not come to remove it because journalists may be left with the pro-Kremlin 'Media Union,'" which is seen as an unofficial mouthpiece for the state.

RUJ lacks credibility since regional authorities support the RUJ local branches by financing their activities and covering office rent. The national RUJ makes public statements when the freedom of speech is attacked by the federal government and convenes its grand jury when gross ethical violations by journalists need to be adjudicated. Mostly, RUJ resigns itself to publishing media-monitoring reports and judicial information, offering financial support for retired journalists, and sponsoring journalism contests and educational projects.

Journalism programs in Russian universities do not provide enough training in media law, journalism ethics, and other professional areas. A typical journalism program entails 600 academic hours of Russian literature, a similar amount of foreign literature, and only 28 hours of media law. Even at the

Moscow State University, most journalism professors never had hands-on experience working in the media. Media companies complain that they have to invest in training recent graduates who lack basic practical skills.

Various training programs are available through NGOs supported by international development funds. Organizations, such as IREX, Internews, the Eurasia Foundation, the Foundation for Independent Radio Broadcasting, and the Press Development Institute, offer short-term courses covering key aspects of editorial and business management training. These organizations work for nonstate media so that their limited funding would only be directed to those outlets that would incorporate new skills into their editorial and management practices. "If we are able to provide quality training for only half a percent of the media, it is important to know what that half percent is," said Veronika Dmitrieva, regional director of the Media Development Loan Fund. "We expect them to be viable organizations leading progress in their regions."

Increasingly, more media owners realize that training advertising department managers, graphic designers, and newsdesk editors is becoming crucial for their outlet's viability, and are ready to pay for consulting services. The Interregional Institute of Media Consulting and IREX implemented an ambitious 11-month training program called the

"If we are able to provide quality training for only half a percent of the media, it is important to know what that half percent is," said Veronika Dmitrieva.

Comprehensive Business Development Program for Newspaper Companies, in which 13 private newspapers took part. The program was funded through fees from participants and IREX, which received support from the US Agency for International Development (USAID). The program resulted in better advertising sales, increased circulation, higher salaries, and more job satisfaction among participants.

Panel members maintain that the print media distribution market in Russia is not transparent or reliable. This makes publishers unable to control their publications' sales and often ignites conflicts. One occurred when Seventh Continent, a Moscow supermarket chain, refused to sell leading newspapers and magazines published by Kommersant, claiming sales were "insufficient." There are examples of media owners banishing competitors' publications from their

networks. Publishers currently suggest that concurrent ownership of media outlets and a distribution network should be legally restricted.

In some regions, authorities have reportedly made local printing houses refuse service to independent newspapers. These papers are then forced to print in neighboring regions. Although alternative printing facilities exist, more private presses are needed, panel members said. Meanwhile, the federal government plans to consolidate 88 state-owned printing houses into seven conglomerates that will be presented for privatization.

Panel Participants

Yevgeny Abov, vice president, Guild of Periodical Press Publishers, Moscow

Mikhail Arenzon, director general, Yat publishing house, Kolomna, Moscow region

Manana Aslamazian, executive director, Internews-Russia, Moscow

Veronika Dmitrieva, regional director, Media Development Loan Fund, Moscow

Mikhail Kaluzhsky, advisor, IREX, Moscow

Irina Kosheleva, Internet projects advisor, Foundation for Independent Radio Broadcasting, Moscow

Grigory Kunis, director general, Moi raion publishing house, Saint-Petersburg

Aleksandr Lazarev, deputy director general, Kostromskaya Narodnaya Gazeta publishing house, Kostroma

Dmitry Merezhko, executive director, Association of Independent Regional Publishers, Moscow

Oleg Panfilov, director, Center for Journalism in Extreme Situations, Moscow

Andrei Richter, director, Media Law and Policy Institute, Moscow

Dmitry Surnin, media-sector portfolio manager, Eurasia Foundation, Moscow

Moderator

Sergei Gogin, deputy editor-in-chief, *Journalism and Media Market* magazine, Moscow

Observer

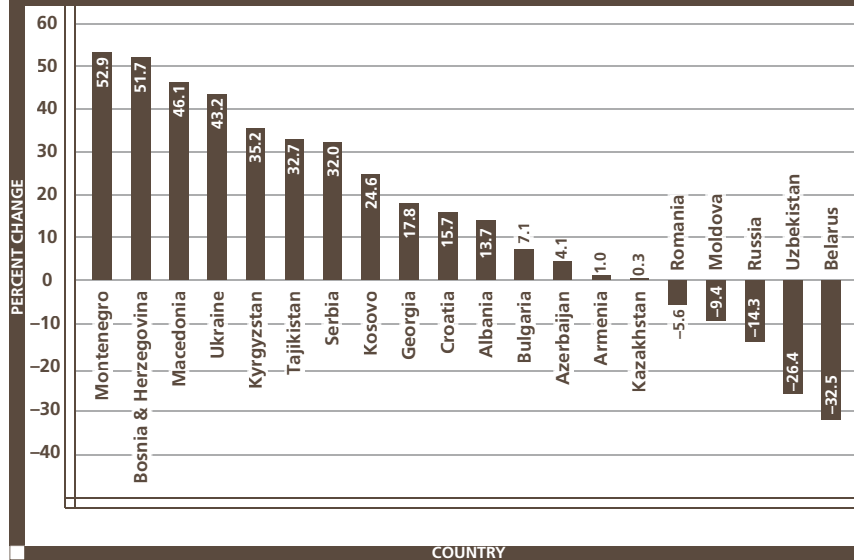
Ekaterina Drozdova, project-management specialist, USAID, Moscow

RUSSIA AT A GLANCE

GENERAL

- **Population:** 145,000,000 2002 census
- **Capital city:** Moscow
- **Ethnic groups (% of population):** There are 160 groups. Major groups: Russians (115 million), Tatars (5.6 million), Ukrainians (2.9 million), Bashkirs (1.7 million). Non-Russians make up 20% of the population. 2002 census
- **Religions (% of population):** Russian Orthodox, Muslim, Buddhism, Judaism, Protestant
- **Languages (% of population):** Russian, other
- **GDP:** purchasing power parity: US\$1.282 trillion (est. 2004 est.) www.cia.gov
- **GDP/GNI per capita: purchasing power parity:** US\$8,900 (est. 2004) www.cia.gov
- **Literacy rate (% of population):** 99.6%
- **President or top authority:** President Vladimir Putin
- **Next scheduled elections:** Presidential 2008, State Duma 2007

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



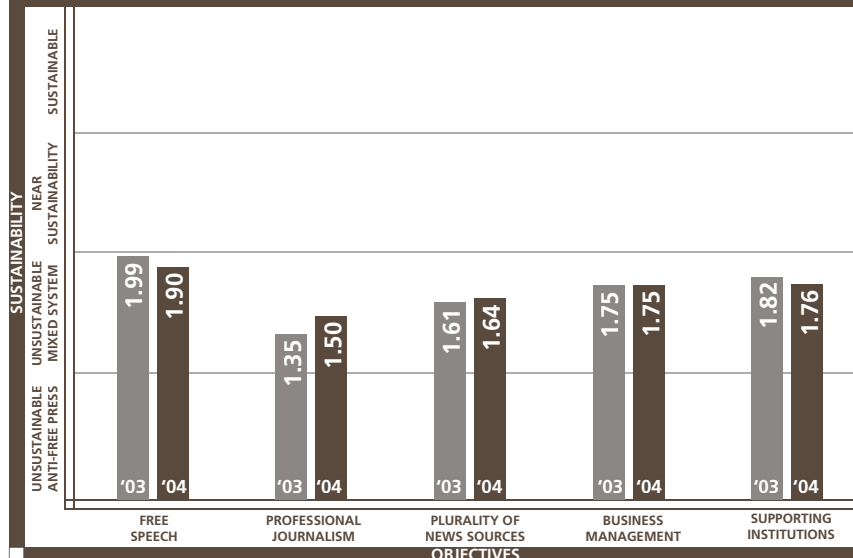
MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** There are a total of 10,000,000 copies. The leader in circulation is *Komsomolskaya Pravda*, with 730,000 copies daily and 2,800,000 copies on Friday.
- **Broadcast ratings (top three ranked stations):** Channel One, Russia, NTV
- **Number of print outlets, radio stations, television stations:** There are 40,000 registered print publications; 2,000 television stations are licensed, among which

1,300 operate. There are 420 AM radio stations and 447 FM stations. (1998)

- **Annual advertising revenue in media sector:** US\$3 billion
- **Number of Internet users:** 15 million
- **Names of news agencies:** RIA-Novosti, ITAR-Tass, Interfax

MEDIA SUSTAINABILITY INDEX: RUSSIA



"AFTER THE INFORMATIONAL BREAKTHROUGH, PEOPLE FROM EASTERN UKRAINE WERE SURPRISED TO KNOW THAT THERE IS ANOTHER REALITY WHICH HAD NOT BEEN SPOKEN OF BY NEWSPAPERS AND TELEVISION CHANNELS CONTROLLED BY THE GOVERNMENT," NOTED MEDIA-TRAINING SPECIALIST OLEG KHOMENOK.



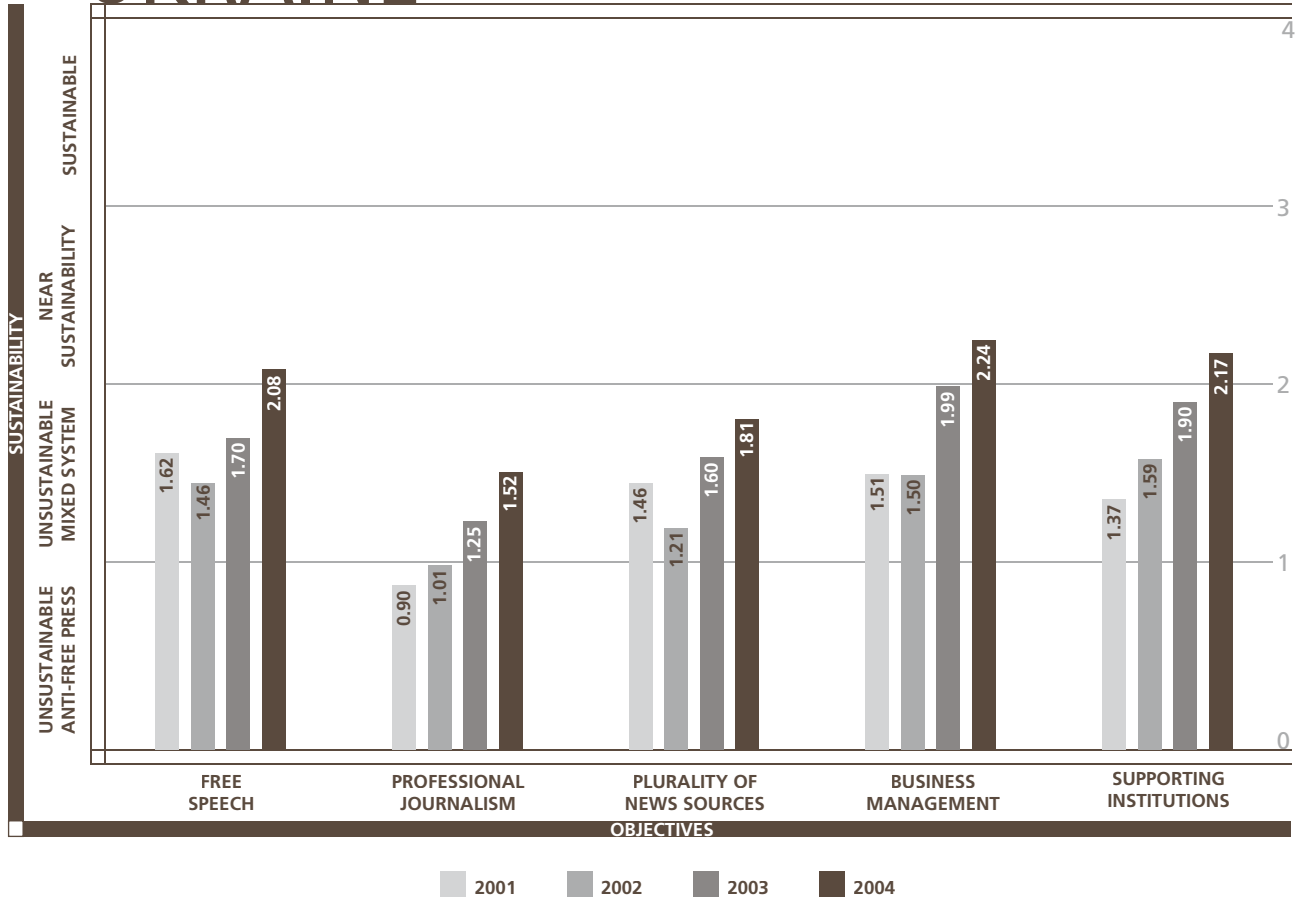
For Ukrainian mass media, 2004 was a year of presidential edicts inhibiting coverage followed by presidential elections that transformed the coverage. Although the Orange Revolution of November and December raised hopes for sustained development of independent media in Ukraine, most of the year was characterized by heavy-handed control of media outlets and lackluster journalism. There was continuing improvement in the performance and profitability of regional media, but the presidential election campaign was the underlying theme of virtually everything to do with the media in Ukraine in 2004.

The run-up to the first round of voting on October 31 saw mass violations of journalists' rights and tremendous pressure on mass media from the administration of President Leonid Kuchma and Prime Minister (and presidential candidate) Viktor Yanukovich, as well as by local government officials and wealthy oligarchs in the president's camp. There was little professional, quality coverage of the campaign or the candidates. Until after the second round of elections in mid-November, the opposition candidate (and eventual winner) Viktor Yushchenko received little news coverage, and what he did get was overwhelmingly negative and often untruthful. Virtually all national television channels, including UT-1, 1+1, STB, ICTV, and several others, as well as many newspapers abided by "*temniki*"—unofficial, semi-secret but very demanding instructions that dictated even minute elements of what events and persons should or should not be covered, and how that came from the presidential administration and local and regional government officials. Only Channel 5, TV Era, and some regional television companies provided non-prejudicial coverage to Yushchenko.

The protests after the fraud-ridden second round of elections led to major changes in the behavior of journalists and their ability to report as they saw fit. Many journalists protested the pressure being applied by politicians and owners loyal to the government and, by and large, saw them give in and allow more balanced coverage. The *temniki* ceased to hold sway as journalists refused to follow them, ruining the power structure's system of propaganda and manipulation.

MEDIA SUSTAINABILITY INDEX

UKRAINE



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

This almost certainly changed the perception of Yushchenko among the electorate. "After the informational breakthrough, people from eastern Ukraine were surprised to know that there is another reality which had not been spoken of by newspapers and television channels controlled by the government," noted media-training specialist Oleg Khomenok, moderator of the 2004 Media Sustainability Index (MSI) panel.

It is too early to say whether these changes will be permanent, however, and there are some signs that journalists have merely switched their allegiance to the new president without committing to fair and objective reporting. The ownership of national media also makes the triumph of independent journalism less than certain. Most national, private television channels and newspapers are controlled by oligarchs and politicians, and historically have served the interests of power. Such outlets were used as tools of propaganda, rather than providing unbiased and accurate information to the public. Some among them, such as television channels Inter and 1+1, are profitable and control the lion's share of the advertising market. In the state-owned media, national and regional outlets generally are unprofitable, deliver little in terms of professional journalism, and depend on government funds for their operating costs. The state media depend on government organs for their operating funds, and during elections and other periods seen as politically critical, they are subject to being even more tightly controlled for propaganda purposes.

Among the private regional media there are several dozen successful newspapers and broadcasters that have distinguished themselves through their business development and journalism practices. The professionalism of these outlets has been growing along with their audiences, but their number has been too small to lead to a general breakthrough in the quality of media.

Nonetheless, several MSI panel participants said that although the long-term effects are yet to be seen, the Orange Revolution raised their optimism about the media industry in Ukraine. "My scores are higher because we have had November and December 2004 in our lives, when we felt what freedom was like," said Natalya Ligachova, director and chief editor of *Telekritika* in Kiev.

OBJECTIVE 1: FREE SPEECH

Ukraine Objective Score: 2.08 / 4.00

Ukraine's Constitution and many elements of its legislation guarantee freedom of speech. However, all MSI panelists noted that enforcement of those

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

guarantees is at a low level, with legislation defending freedom of speech hardly used. Legal defense is still often very problematic because of judges' dependence on authorities and political powers. Also, the public gives little support and takes negligible interest in most efforts in support of freedom of speech.

Sergei Guz, head of the Independent Trade Union of Journalists in Kiev, noted that problems in protecting legislated media rights stem in part from the generally low level of media-law expertise among lawyers. Several media-support organizations, including IREX, Internews, the Association of Broadcasters, and the Ukrainian Newspaper Publishers Association, do have experienced media lawyers available to outlets and journalists, often free of charge.

Licensing of broadcasting is conducted by the National Council on TV and Radio, created by the Constitution with half its members named by the president and half by the parliament. However, licensing has very much been dependent on political considerations rather than on the merit of a particular applicant. Panelists noted two factors that limit the independence of the council: The law allows the president to replace his nominees at

will, making incumbents inclined to follow his political wishes; second, each member has veto power over decisions of the council. This veto power has been used repeatedly by political factions on the council to, for example, counter the wishes of a majority of members to appeal media-related court decisions. In 2004, Ukraine's parliament, the Verkhovna Rada, voted to change those

“Society does not trust the media and does not defend journalists, because people think that they are venal,” said Taras Shevchenko.

two problematic elements of the law governing the council, but President Kuchma vetoed the changes. MSI panelists stressed that there were positive trends in

the work of the National Council during 2004, noting that the head of the council seemed to exert less undue influence than in past years. In all, the National Council has issued about 1,500 licenses.

Another problem that appeared in 2004, very much related to electoral politics, was the practice of bypassing the council and having the courts issue broadcast licenses. For example, the television company TET applied to the court directly for a frequency license, without approaching the council first, and was awarded a permit with no competition and no ruling from the council. The head of the council accepted this ruling, even though it contravened the law requiring that licenses be competed and be issued by the council. Similarly, the television company NTN, controlled by the Donetsk clan (one of Ukraine's three major, geographically based economic groups), received frequencies for which the council had not even announced a competition. And the television company Kievskia Rus, also owned by the Donetsk clan, received licenses through the court. The court issued its rulings without holding detailed hearings on the merits that could be viewed as legitimate by the broader media industry.

Business conditions in the media sphere are not much different from those in other industries from the regulatory perspective. Media companies even have some advantages, such as exemption from payment of the value-added tax (VAT). All other taxes are the same as for any other business. But despite promises of equal treatment for media, tax inspectors and tax police are often used as instruments of political pressure, with politically motivated tax inspections common.

The level of crimes against journalists is significant, and threats of murder, blackmail, and physical violence

are even more common. Few, if any, serious crimes against journalists are successfully investigated and prosecuted. Prosecutors generally refuse to investigate claims by journalists that government officials have obstructed their work illegally or have committed crimes against journalists.

The Independent Trade Union of Journalists conducted monitoring of media-rights violations in 2004 and noted 456 cases of what it said were illegal actions against journalists in Ukraine. Those included the deaths of four journalists and more than 30 assaults. But some panel participants said the actual numbers were lower. “Assaults often do not have any connection with professional activity,” said Sergei Guz.

The international Committee to Protect Journalists noted only one death of a Ukrainian journalist in 2004. That death, in a car accident, is suspicious but not confirmed as an intentional killing related to professional activities of the victim, Heorhiy Chechyk, director of a local radio station in the Poltava oblast. The fatal crash occurred as Chechyk was on his way to Kiev to discuss adding the Radio Free Europe/Radio Liberty Ukrainian service to his station's lineup during a government crackdown on RFE/RL broadcasts. The incident was of particular concern because Ukraine has a history of suspicious road accidents in which journalists, opposition politicians, and others have died—but not a very high rate of fatal road accidents overall.

Whatever the actual number of crimes against them, journalists do not feel secure. However, there is little or no public reaction to crime and threats against them. “Society does not trust the media and does not defend journalists, because people think that they are venal,” said Taras Shevchenko, a media lawyer.

Government-owned media outlets and the journalists working for them have advantages over those in the private sector. Government journalists have the status of civil servants and the rights to the same increases in pensions and salaries as other government employees. But this security net is also used by the government as an instrument of control and to put pressure on news outlets or journalists seen as deviating from the editorial policy desired by the government.

The appointment (or dismissal) of top managers and editors of government-owned media outlets is, practically without exception, a political concern. Government media also get financial breaks, including free or reduced-price rent, newsprint, printing, and subscriptions to government-owned news agencies. Many also receive direct funding from government budgets to cover operating costs. The cost of a

broadcast license for a privately owned station is 50 times higher than what a government-owned broadcaster pays—\$10,000 for a private FM 100-watt transmitter in comparison with \$200 for a state-owned one. MSI participants also noted that the government often tries to influence advertisers to patronize or ignore certain outlets.

Freedom from the constraints of needing to meet costs and show profits in the open market allows government-owned newspapers to compete unfairly with private papers by offering cut-rate prices for the publications or advertising. In the broadcasting sphere, government television-radio companies get such large subsidies from state budgets that it is difficult or impossible for new private channels to enter the market. Government television is considered a strategic pillar of the local power structure, and municipal television companies receive direct and detailed instructions from government administrators on what news stories to run and those it must avoid—such as any critique of the delivery of local services.

Libel is not currently a criminal offense in Ukraine, though there was an unsuccessful legislative effort in 2004 to reinstate such liability. The large number of libel lawsuits filed does, however, remain a problem for media outlets. The suits do not necessarily amount to harassment of the media but may indicate the prevalence of actual libel and weaknesses in the professionalism and ethical standards among journalists.

Legislation gives many guarantees to journalists, but the new civil code that came into effect in January 2004 opened many questions about how the cases on honor and dignity defense should be examined. The new code presumes, for example, that all negative information is false. It makes little provision for truth as a defense, and it is unclear how the courts will decide this issue.

Corruption among judges exists, especially on the local level. Many judges also are not well educated or professional in their dealings. There have been numerous cases in which judges have issued rulings in which they or fellow jurists were involved.

Important public information is under state control and frequently difficult or impossible for journalists or the public to access, even though it should by law be available. Similarly, government meetings that should be open to the public are often closed. The government also has used the pool system, under which a few journalists observe restricted events and share their coverage with the rest of the press corps, as a means of limiting access. By ensuring that only loyal journalists are in the pool, the government also can exclude any

critical coverage or unwelcome questions.

Media often get baseless refusals in response to access-to-information requests. Monitoring conducted by the Independent Trade Union of Journalists noted five to 10 refusals a month. On average, according to Sergei Guz, officials answer only two-thirds of the requests they get, and those answers frequently do not include the information requested. On the other hand, panelists ranked Ukraine's journalists as often woefully unskilled at seeking out information, either from government or alternative sources. They usually are not very persistent in their searches and requests, and may expect government officials to do their research for them.

Journalists have started to protest the government's penchant for secrecy, with mixed results. In 2004, representatives of three Sumy newspapers (*Dankor*,

Panorama, and *Vash Shans*) were excluded from meetings in the city mayor's office. But a show of solidarity among journalists, along with pressure from the public, forced the city government to reverse its illegal stance.

In Kerch in the Crimea, however, the mayor has fought successfully in both trial and appellate courts to prevent the newspaper *Kafa* from obtaining information about salaries of city employees.

Panelists also pointed out that government officials often have double standards for access. For example, when foreign delegations or observers are visiting, the doors are thrown open to the media to demonstrate to the visitors how democratic the country is. But when the visitors are gone, the doors slam shut and vital decisions on public issues are taken in secret.

Access to international news and to the Internet is not limited by law. According to surveys, about 12.5 percent of Ukrainians use the Internet. The highest percentage of users is in Kiev, where 30 percent of the population is online. But most international news on the Internet is in foreign languages unknown to the broader Ukrainian population, and the government's *temniki*, or secret coverage instructions, often extend to how international events should be portrayed. The result is that Ukrainians cannot always access unfiltered coverage of world events, even if it is available.

“Assaults often do not have any connection with professional activity,” said Sergei Guz.

Entrance to the profession of journalism is not limited by law or government practices. However, a variety of laws contain criteria for determining whether someone should be considered a professional journalist, and these are used selectively by officials to deny accreditation or impose other roadblocks for journalists they view as critical. This is especially directed at freelancers and reporters for Internet publications because accreditation is frequently based on a journalist's affiliation with a registered media outlet.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Ukraine Objective Score: 1.52 / 4.00

Ukrainian journalists frequently publish inaccurate information, including unverified allegations and opinions masquerading as facts. News reports, both print and broadcast, may be based on a single, often slanted or unidentified, source of information. The quality and general tone of articles may depend on the journalist's attitude toward the issue at hand, and MSI panelists note that many journalists seem to prefer this system. "Regional television reporters do not see the difference between talk shows and news programs," said Alexander Makarnko, production director for Internews-Ukraine.

Journalists very often receive prepared materials from their publishers or editors and do not have the option of checking the material for authenticity before

publication.

Many editors and publishers, said MSI panel moderator Oleg Khomenok, do not see the need to verify information, nor do they

differentiate between an opinion expressed by a qualified expert on a topic and one expressed by the journalist writing an article. Very often news coverage is skewed in favor of political forces backed by those who control the outlets.

Paid coverage, also known as hidden advertising, is rife in both broadcasting and print media. A few publications do identify paid material as such, but usually in tiny letters or by use of a special symbol that readers do not understand. Panelists said that on many regional television stations, news coverage is composed almost entirely of reports on the activities

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

of government officials—that is, government PR—and paid reports that glorify commercial enterprises and their products. Generally, readers and viewers can easily tell the difference between real news reports and those items published in exchange for money or other considerations.

All the panelists noted remarkable changes in news preparation during the November and December election protests, when many television channels and newspapers started to cover events in a balanced and unbiased way, using a wider range of sources. However, the MSI panel members also noted that there is nothing to guarantee that the positive changes will survive in the long run.

There are a few dozen successful, private regional newspapers offering quality news content and adhering to professional standards, including *MIG* (Zaporozhye), *Kafa* (Feodosia), *Molody Bukovynets* (Chernivtsy), *OGO* (Rivne), *Hrivna* (Kherson), *Vechirney Cherkassy* and *MV* (Melitopol), and the RIA Corp. newspapers in Vinnitsa, Ternopil, Khmelnytsky, Lviv, and Zhytomyr. As a rule, these also are among the most popular of the publications in their communities. One panelist credited them with sustaining Yushchenko and his campaign in the face of a concerted coverage blackout by national and state-owned media. "The regional newspapers, due to their balanced covering of events, made the Orange Revolution," said Alexander Chovgan, president of RIA

Corp., which publishes 16 regional newspapers and magazines. “Although Yushchenko did not have access to national and regional television channels, he was given coverage by regional newspapers that have 55 percent of the audience.”

Codes of ethics receive lip service, but little more, from most journalists. There are two national codes as well as a Committee on Journalistic Ethics with a membership including respected journalists. But the committee’s work is inconsequential, panelists said. In the second half of 2004, despite the much skewed coverage of the presidential election campaign, the committee made no comments or findings of any kind. Nor did the committee issue any evaluation of the general situation, despite the very obvious violations of even the most minimal ethical norms. The panelists said this was not too surprising, as most journalists see ethics as situational. When there is no pressure, and it is easy to behave ethically, they often do. But during periods such as election campaigns, concerns about money and job security easily trump ethics. Many media outlets do not have written ethical standards. Those that do have standards do not enforce them, or journalists say they are not aware of them. Many media outlets are operated not as information sources but to further the business or political interests of the owners, and those owners have little interest in enforcing standards of ethical journalistic behavior.

There are no reliable tools to fight bribery of journalists. Most media-industry salaries are modest. There is widespread paying of additional sums under the table to avoid taxation, but even that can be used as a tool against journalists because if a reporter balks at reporting unethically and quits, unemployment benefits are based only on the small official salary. At Kiev television stations, said Natalya Ligachova, the under-the-table payments to journalists were as high as \$2,000 a month. In any case, salaries are not sufficient to protect against corruption. Tatyana Lebedeva cited an example of a regional journalist who prepared a series of programs about a politician in exchange for a pair of new boots.

To make more money, journalists may moonlight as consultants or public-relations agents for political parties or big commercial firms. At regional news outlets, managers encourage such second jobs, as it helps their journalists earn more money and it is therefore very difficult to guard against journalists abusing their reporting jobs for the benefit of their other employers. Journalists also tend to move from smaller towns to bigger cities, especially Kiev, and leave journalism

altogether for careers in advertising or public relations.

At the end of 2004, the coverage of elections and the protests by journalists against censorship and manipulation led to an active discussion of ethics. Some journalists quit the leading national television channels in protest. On Channel 1+1, a popular national channel controlled by then President Kuchma’s chief of staff, all of the reporters and anchors refused to appear on the air, and the news service head, Vyacheslav Pikhovshyk, was left to broadcast the news alone until the administration of the channel fired him and announced that it would no longer exert control—or allow political forces to exert control—over news reports on the channel.

Journalists routinely practice self-censorship. There are sacred cows for virtually every

publication or station, and even without formal notice not to cover these topics, journalists will steer clear of them because they do not want to cause friction with advertisers, political forces, or business interests that are either close to the owners or powerful enough to be dangerous enemies. At state-owned media, self-censorship plays a key role in the process of preparing materials about the activities of government bodies.

Panelists noted that current President Yushchenko’s candidacy and the autumn protests sparked another kind of self-censorship in which reporters avoided anything that could be negative for his opposition camp. Natalya Ligachova quoted the director of an opposition-oriented radio station as saying, “We don’t have time to be balanced. To balance the negative information regarding Yushchenko coming from the other channels, we have to be one-sided.” During the period of protests, many television journalists appeared on camera wearing orange clothing—the color of the opposition—or even Yushchenko campaign badges.

Investigative reporting on corruption in politics and government is done poorly, when done at all. Looking into the origins of the fortunes amassed by businessmen and government officials also is a task most journalists refuse to tackle. There have been threats, violence, trumped-up criminal charges, and firings of journalists who even expressed a desire to start a sensitive investigation. And with the government’s penchant for secrecy, some investigations cannot get off the ground simply because it is impossible to unearth information.

Natalya Petrova said, “We have opposition media and pro-government media, but there are no objective media.”

Panelists reported that at least two television reporters lost their jobs in 2004 because they had published controversial reports. Some panelists said that the list of topics that reporters at state-owned media cannot cover is longer than the list of topics that are open for coverage. But they also said that opposition-oriented outlets have their own lists of sensitive subjects. "I am not sure that journalists from opposition media have no restrictions," Natalya Petrova said. "We have opposition media and pro-government media, but there are no objective media."

Many television companies broadcast more than five hours of news per week. News materials also predominate in newspapers. Regional radio stations are, more and more, adding news shows to their programming. Panelists highlighted this as a positive tendency, indicating that audience interest in news has grown over the past year. The regional television companies are ready to invest in creating their own news services.

Private regional television stations also have begun to invest more money in technical support and equipment. Several years ago, Aleksander Makarenko said, news programs on regional television were supported under the budget principle of "you get what's left over," but now the owners are spending serious amounts of money on technology. The situation is the same in successful regional newspapers. Seven years ago, it was rare to see a provincial newsroom with more than two computers. Now, it is unusual to see one without a network of computers for the entire staff. State-owned media in the regions are poorly equipped. Panelists agreed that newsrooms have the budgeted funds to be as well-equipped as their competitors, but very often the money is diverted to other uses—sometimes legally, sometimes not.

Specialization in regional press is beginning to develop, but it is still in the early stages. As noted, investigative journalism is especially weak, and panelists disagreed on whether such specialization is needed. Some said quality beat coverage is impossible at a newspaper that might have only three or four reporters. But others said that without such coverage and the in-depth development of sources it entails, those newspapers will never be able to cover important topics thoroughly for their readers.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Ukraine Objective Score: 1.81 / 4.00

Ukrainians have more opportunities to access different sources of information, especially in Kiev and other large cities, than they did in previous years. With the economy improving, people can afford to buy newspapers—and they do. Therefore, the continuing low circulations of many newspapers should be blamed not on a weak economy, but on the poor quality of those papers.

Internet access is still expensive for most Ukrainians, but the number of users has continued to rise significantly. A summer 2004 survey in 15 cities showed that of those who use the Internet, nearly half do so at work, 25 percent at home, and 20 percent in a public place, such as an Internet café or library.

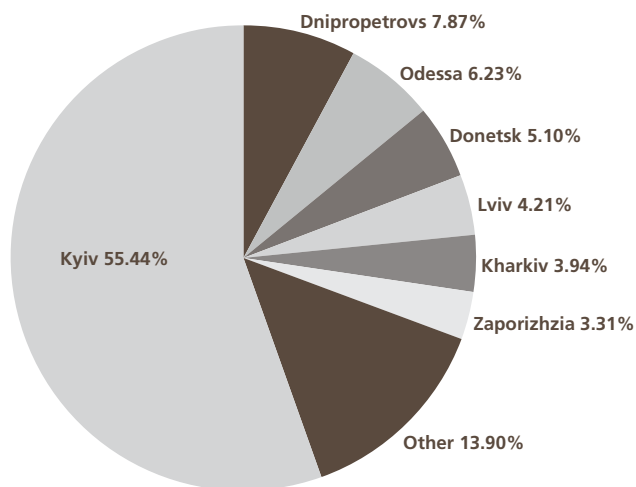
Access to newspapers in the regions is sometimes limited. The main vehicles for newspaper distribution are two entities controlled by the government: The post office, Ukrposhta, handles subscription deliveries; Soyuzdruk, which operates newsstands, handles most retail sales. But they also have discretion concerning

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Ukrainian Internet Audience



Source: Sputnikmedia.net

which titles to carry, and during times of tension, such as the election campaign, some publications reported difficulty in getting their papers out to the public because of the actions of Ukrposhta and Soyuzdruk.

Most national and sometimes even regional publications are not available for retail sale in smaller towns and rural areas, although they generally are available by subscription. Thus, a rural reader wanting a wider scope of news than that presented in the local, usually government-owned, newspaper would have to subscribe for a period of months. But with the publications unavailable for initial single-copy purchases, potential subscribers are not able to see what is on the market and thus are unlikely to subscribe.

Cable television and Internet are often unavailable in smaller towns and rural areas, or else they are prohibitively expensive. The boom that lifted Ukraine's economy recently has bypassed the rural areas and smaller towns. Tatyana Lebedeva noted that even Ukraine's national television channels do not reach all parts of the country: "There is no broadcasting of national channels to a sizeable part of the Volyn region (in northwestern Ukraine). There are only Belarussian and Polish channels there. And in the Odessa region, there is an area where the national channels have been replaced by Moldovan and Romanian channels."

MSI panelists also noted that there is a growing tendency by oligarchs to buy newspapers and to try to monopolize the print media market, both in Kiev and in regional cities.

In 2004, there were attempts to deny access to foreign news. As a result of government pressure, the broadcasting of Radio Free Europe/Radio Liberty (RFE/RL) ceased when the radio station Dovira ended

its agreement on relaying the broadcasting. Panelists evaluated this as an act of censorship, and noted that the same thing occurred in the regions. Under government pressure, companies refused to sign agreements to relay foreign news broadcasters such as RFE/RL, BBC World Service, and Deutsche Welle. There also were legislative attempts to require licensing of foreign news relays, but they were unsuccessful.

Access to foreign media is limited primarily by the lack of language skills, and also by the expense of foreign periodicals that can be obtained in Ukraine. Western media are expensive; sometimes the cost of a foreign newspaper can be 100 times the cost of a Ukrainian periodical.

Panelists said that when information from foreign media outlets is picked up by Ukrainian media, it is sometimes changed significantly in translation, or is given a decidedly different spin.

Many Russian newspapers such as *Argumenti & Fakti* and others are imported illegally into Ukraine and sold at retail. The distribution of Russian media is large

in comparison with other foreign media in eastern Ukraine. In areas of western Ukraine that border other countries, media from those countries (Poland, Romania, Hungary) are more readily available and are sought after by members of those ethnic groups and people who understand those languages.

In 2004, Ukraine's state-owned media worked to consolidate the power of government officials and favored political forces and parties. "Until November 25, 2004, the main directorate of informational politics of the presidential administration directly presided over the newsrooms on state television," said Natalya Ligachova. Monitoring of election coverage on national television channels showed the lack of balanced coverage. Most national channels, state and

Tatyana Lebedeva noted that even Ukraine's national television channels do not reach all parts of the country: "There is no broadcasting of national channels to a sizeable part of the Volyn region (in northwestern Ukraine). There are only Belarussian and Polish channels there. And in the Odessa region, there is an area where the national channels have been replaced by Moldovan and Romanian channels."

private, broadcast news from the position of those who controlled them. "In 2004, the board of (national state-owned television channel) UT-1 got rid of its own news service and contracted out the news program production to the studio Visti. Visti had previously worked for television channel TET and is under control of the Social Democratic United party," said Tatyana Lebedeva. In other words, the news programs on state television were given away to a private studio controlled by a political party allied with President Kuchma. Regional state-owned media also served the interests of local officials and were mobilized to provide massive coverage of Yanukovich, the presidential candidate supported by the government.

Panelists noted that even when newspapers do publish a wider range of points of view, as the parliamentary newspaper *Holos Ukrainy* did, the contents still are not particularly informative or useful to everyday readers. Panelists called this "a substitute for pluralism."

The number of politically independent media is very limited, composed mostly of regional newspapers and broadcasters. They produce most of their own news

articles and programming and do not face—or succumb to—as much political pressure. But panelists warned that the independence of any given news outlet cannot be taken for granted because in some cases there is

"Until November 25, 2004, the main directorate of informational politics of the presidential administration directly presided over the newsrooms on state television," said Natalya Ligachova.

hidden control not readily apparent to observers. In other cases, new ownership or forms of pressure can very quickly turn an independent voice into a mouthpiece.

National newspapers and channels were under control of their owners or government and political powers. For example, the leaders of the United Social Democratic party controlled several privately owned national channels: Inter and Channel 1+1 were reputedly owned and controlled by President Kuchma's chief of staff and a leader of the United Social Democratic party, Viktor Medvedchuk. And Kuchma's son-in-law, the wealthy oligarch Viktor Pinchuk, owned television channels STB, Novyy Canal, and ICTV.

Panelists noted the expansion of news programming on privately owned local television stations, but that is

not always a good thing, as a station's affiliation with political or business groups can simply mean that an expanded newshole gives viewers even more slanted and inaccurate news to digest.

There are news agencies in both Kiev and in the regions. For most of 2004, however, none of the major wire services—DINAU, Interfax-Ukraine, UNIAN, and Ukrainski Novyny—were independent. Such agencies were either state-owned or subject to government pressure. The protests of November and December decreased or eliminated pressure on some, but whether the change will last cannot be foretold. The state-owned agency DINAU-Ukrinform is financed from the government budget and is an official mouthpiece. Its output is provided free of charge to state-owned media outlets, thus giving them an advantage over privately owned competitors.

Regional media outlets often cannot afford to subscribe to the larger, national news agencies. Panelists also pointed out, however, that the price charged by a news service does not necessarily correspond to the quality of its information. In the regions there are both state and privately owned news agencies, but the market for their products is limited and the quality of their news reports not very high.

Many regional newspapers make generous use of Internet websites, which have their own correspondents or which republish the bulletins of commercial news agencies. These regional publishers feel that they are within their rights to do this, so long as they credit the original source—even when they are not paying that source. A significant problem with the Internet-based news sites, which increasingly serve as de facto news agencies, is that their ownership and sources of financing are usually unknown. On some sites, there are no telephone numbers, physical addresses, or identities of key personnel.

It is difficult, even impossible, for the public to learn who actually owns publications or broadcast stations. Even journalists often do not know just who it is they are working for. The widespread use of offshore companies or figureheads has made it possible for a few oligarchs or political players to amass huge media holdings, creating effective monopolies. A government anti-monopoly committee tried to investigate the issue of station ownership but did not get very far while Kuchma was president. While such monopolization has been the case in Kiev for years, the practice is spreading to other cities where government officials and political and business factions are creating local media monopolies.

One urgent topic in Ukrainian media circles has been the privatization of state newspapers and broadcasters, including both national and local outlets. Several panelists said they feared a massive sell-off would play into the hands of oligarchs and political powers by allowing them to pick up many more outlets, down to the very local level.

Most major national papers publish in Russian, rather than Ukrainian. There are no ideological differences between those in each language, however, and some papers publish two editions while others mix both languages in one edition.

News coverage of minority groups is generally limited. In those areas of Ukraine that have significant minority populations, there is more extensive coverage, and it is not always accurate or fair. In Crimea and a few other regions, panelists said, tension sometimes occurs over the tenor of coverage of ethnic minorities and conflicts. For example, *Krymsakaya Pravda* published a news story headlined “Crimean Tatar Mejlis member killed a pregnant woman.” However, the facts showed that the woman died in a collision involving a car owned by the politician—but he was not in it.

OBJECTIVE 4: BUSINESS MANAGEMENT

Ukraine Objective Score: 2.24 / 4.00

In recent years, increasing numbers of private media outlets in Ukraine have worked along the same business lines as their colleagues in more developed countries. But there are many factors inhibiting the maturing of media as businesses in Ukraine. In addition to the very important influence of politics, low profitability also has been a hurdle, especially in the publication of general-interest newspapers. In general, the Ukrainian media field is very sensitive to fluctuations in the advertising market, which until recently was in recession, and to the price of newsprint, which has risen considerably in recent years in Ukraine.

Conditions for the print media—including the availability of high-quality color presses and alternative means of distribution—are changing constantly. More newspapers are becoming profitable, based on their revenues from circulation and advertising, but others continue to rely on subsidies from government or business or political “sponsors.”

Several private printing presses have opened in recent years, although the number is not sufficient to meet demand. The printing houses in many regions are still state-owned. Irina Prokopyuk, editor and publisher of

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Kafa newspaper, also complained that the newer printing presses are not always receptive to the needs of customers, such as overnight service. Many state-owned presses are technically outmoded. This prevents newspapers, some of which have no recourse to other printing houses, from producing high-quality publications that look attractive to readers and advertisers.

Because of high interest rates, the cost of financing new presses through a bank loan can be prohibitive. While some newspapers have taken that route, others have found other ways.

A publisher in Melitopol used a loan from an international donor organization,

the Media Development Loan Fund, to buy a Swedish printing press. And the newspaper Berdyansk Delovoi, which had made contacts through previous training and development activities, received a used press as a gift from the *Omaha World-Herald* newspaper in the United States.

“Before placing my advertisements on local television, I had to conduct a survey myself to find out the comparative ratings of the (local) channels,” Irina Prokopyuk said.

Ukrposhta and Soyuzdruk, which control most newspaper distribution, are virtual monopolies, and their pricing and activities are considerably less than transparent. Publishers have difficulty getting information about actual retail and subscription sales of their publications. In addition, panelists said, the two companies frequently break contractual obligations and delay payments to newspapers.

In recent years, several nationwide, private subscription networks have appeared, generally under the umbrella of large national media holdings. Thus, the company Blitz-Inform, which publishes the *Business* weekly

and women's magazine *Natali*, has set up its own distribution system. Publications in the regions also are establishing systems that allow them to

"I conduct market research, and I know 10 other (regional) newspapers in Ukraine that also do this," said Alexander Chovgan.

bypass the post office or the Soyuzdruk retail system. In many towns, private networks of retail newsstands now successfully compete with Soyuzdruk. While many distributors work on a prepayment system, Soyuzdruk uses commissions: It returns and pays nothing for unsold copies, and thus has little incentive to aggressively sell any given publication.

Even private distribution networks are not always receptive to new publications on the market. Panelists noted that last year in Kiev, some wholesale distributors refused to deal with new newspapers because the distribution companies are arms of publishing companies, which are not interested in greeting new competitors.

State-owned media receive significant amounts of aid from the government. As a rule, panelists said, state budget subsidies cover from 50 to 90 percent of the costs of state-owned media. In 2004, for example, the national television company of Ukraine received 45 million UAH (\$8.5 million) from the state budget, while bringing in 41 million UAH from advertising.

Getting an accurate accounting of the finances of a media company, be it state-owned or private, is almost impossible. Most media companies conceal part of their revenues, especially money coming from hidden advertisements and prepaid articles and financial support for conducting political and PR campaigns.

An underdeveloped advertising market and weak management make the independence of regional

newspapers very precarious in many cases. "If a newspaper has only five real advertisers, it's difficult to be independent, because the loss of any one advertiser means the loss of 20 percent of the budget," said Alexander Chovgan. Participants also noted that a significant number of media companies are not oriented toward having advertising be a stable source of revenue. In several Kiev papers, including some with huge circulation and readership numbers, advertising is notable primarily by its absence.

The advertising market is growing, however, due largely to Ukraine's booming economy, which in 2004 was among the fastest growing in Europe. Companies are leaving the "shadow economy," competition in various sectors is heating up, and businesses are developing a better appreciation of the value of advertising. Panelists said there was a very noticeable increase in radio advertising in 2004. At the same time, great disparities remain between the amount of advertising in Kiev and other large cities, on the one hand, and the smaller towns and rural areas, where there is much less activity. There also is a significant disparity between different types of media, with electronic media receiving a vastly larger share of the advertising expenditures than do media.

Audience measurement is a weak point in Ukraine, inhibiting the growth of advertising.

National brands do relatively little advertising on regional television because they have no way to evaluate its effectiveness or reach. The same is true for regional newspapers, which also generally do not have verifiable circulation numbers. In addition, the plethora of titles in most cities means that it is difficult for any one paper to secure a large circulation, making them less attractive to big advertisers.

Only one agency in Kiev handles television ratings. This agency is viewed by some MSI panelists as influenced and financially supported by two of the national television channels. They said the two stations were able to manipulate ratings by including small towns, where those are the only two national channels available, in the areas covered. Panelists also pointed out that the agency lacks sufficient numbers of meters to get a true sample.

There are no ratings of local television stations in the regions, where there are only a few managers who understand what ratings are and how to use them to improve programming, increase advertising, and differentiate one station from its competitors. For advertisers, the rule is caveat emptor: "Before placing my advertisements on local television, I had to conduct

a survey myself to find out the comparative ratings of the (local) channels,” Irina Prokopyuk said.

Few newspapers have audited, verified circulation numbers available. Instead, most papers claim inflated circulations so that they can charge higher prices for advertising. But big advertisers, and the national ad agencies that represent them, are not fooled by this tactic. Instead, they simply do not place advertisements with local newspapers.

There is a tendency of media companies that own several media outlets in the regions to create their own advertising agencies, which then sell advertising space or time in both their own as well as other media outlets.

Panelists noted the problem of monopolization in the television advertising market in Kiev. While in past years there were several major players selling ad time on various channels, by 2004 only Inter Reklama was left. It sold time for all the national television channels and controlled more than 60 percent of the television advertising market in Ukraine. Because of its position, it also is able to influence the allocation of advertising and therefore the budgets of television channels.

Market research has become increasingly important to independent media outlets, and is especially prevalent in Kiev. How effectively it is used to recast newspapers and stations to address the wishes of readers is an open question. Many journalists remain entirely unaware of the results of such research conducted by their own employers.

Most regional media cannot afford to conduct high-quality market research or scientifically valid opinion polls, and most do not have an accurate picture of their own audiences and their interests. “I conduct market research, and I know 10 other (regional) newspapers in Ukraine that also do this,” said Alexander Chovgan. “But they are, most likely, the exceptions to the rule.” To the extent market research is done, there has been a tendency toward having it conducted by qualified professionals using scientifically valid procedures, rather than amateur surveys produce results of questionable value.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Ukraine Objective Score: 2.17 / 4.00

There are active professional and trade associations in the media sphere in Ukraine, but they are still young and developing. They were formed with the assistance of international development programs, and most still rely on partial funding from such programs, though

they do have systems of dues and fees in place to make themselves sustainable. In general, their activities include legal assistance to members, training, and representing the interests of their members in dealings with the government at various levels.

Self-regulation and lobbying are nascent, and are not at all as well developed as the activities of the associations. The membership of the associations also is too small to represent the media industry as a whole.

There also are conflicts, at times, between organizations that claim to represent the same groups.

The Union of Journalists of Ukraine is the old Soviet trade-union, and while it still claims to represent the journalists of Ukraine, most of its members are actually retired or in the employ of state-owned media. “The Union of Journalists of Ukraine has never once, in 13 years, invited any of my journalists to become members,” said Alexander Chovgan, one publisher on the MSI panel.

The newer Independent Trade Union of Journalists has a very small membership and little or no leverage to negotiate with media owners, and it primarily provides legal advice to its members. One panelist said such unions exist primarily to get grants from foreign-assistance organizations.

The National Association of Broadcasters and the Ukrainian Newspaper Publishers Association are the main trade groups representing independent media outlets, but membership is only a small percentage of the total number of broadcasters and publishers in the country.

Ukraine has numerous nongovernmental organizations (NGOs) that work effectively and tirelessly on issues related to the media. There are both national and local organizations, including some national groups based in cities other than the capital, including Journalists Initiative (Kharkiv), Information and Press Center (Simferopol), and the Association of Journalists of South Ukraine (Kherson). These NGOs actively defend freedom of expression, monitor violations of journalists’ rights, petition the government for changes in laws, and provide training and education for media workers. But while some are well-respected, others

***Lilya Molodetskaya said,
“Graduates do not know that articles shouldn’t be full of their own opinions, and they don’t have any idea how to work with sources and gather information—after five years of study!”***

are not well-known or their motives are not trusted by either journalists or the public. Virtually all of these organizations rely on financial support from donors, especially foreign donors. Some, but not all, were started by foreign organizations and spun off, some more completely than others, into local entities.

The education system for journalists is dreadful and in need of major reform. The curricula in university journalism departments are archaic and not in accordance with current needs and practices in journalism. Many instructors have limited, if

any, practical experience as journalists. Some have not been working journalists since long before Ukraine became independent of the Soviet Union. At the same time, journalism is a

“The Union of Journalists of Ukraine has never once, in 13 years, invited any of my journalists to become members,” said Alexander Chovgan, one publisher on the MSI panel.

popular field of study, and the number of journalism departments at universities and institutes is growing year by year. Editors, however, remain unimpressed with the graduates. “Journalism departments produce people with no education,” said Lilya Molodetskaya. “Graduates do not know that articles shouldn’t be full of their own opinions, and they don’t have any idea how to work with sources and gather information—after five years of study!” Journalism departments tend to be poorly equipped. They have few, if any, modern textbooks, and most schools have very old and insufficient technical facilities, especially for those studying television and radio.

Short-term training programs exist, offered by both Ukrainian and international organizations, but there are not enough of them, panelists said. Nor is there any system of formally increasing the qualifications of journalists. For most journalists, practice or internship in foreign media is not accessible. The organizations that offer trainings primarily depend on funding from donors. But the training topics proposed by international organizations are limited and not always in accordance with the needs of Ukrainian media. Correspondingly, the results of those trainings can be less effective. Panelists stressed the need for development and publication of handbooks and other teaching materials useful and relevant to Ukraine, in local languages.

There is a growing appreciation by journalists, editors, managers, and media owners of the value of professional training. Increasingly, employers are willing to pay for their employees’ participation in trainings. That could well be because, said Alexander Chovgan, a series of short-term trainings can give a journalist more valuable instruction than five or six years of study in a university journalism department.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists’ rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Panel Participants

Oleg Khomenok, media trainer, IREX U-Media program, Kiev and Simferopol

Yuri Artemenko, Rada member, deputy chair of committee on freedom of speech, vice president of publishers association, former publisher of *Mig* newspaper, Zaporizhiye and Kiev

Brent Byers, press attaché, U.S. Embassy, Kiev

Alexander Chovgan, president, RIA Corp., which publishes 16 newspapers and magazines in six western and central oblasts, Vinnitsa

Sue Folger, chief of party, Internews' Network U-Media program, Kiev

Sergei Guz, head of Trade Union of Journalists, Kiev

Vadim Kovalyuk, Public Affairs Section, U.S. Embassy, Kiev

Tatyana Lebedeva, head of association of independent broadcasters, Kiev

Natalya Ligachova, director and chief editor, Telekritika, Kiev

Alexander Makarenko, production director, Internews-Ukraine, Kiev

Victoria Marchenko, USAID, CTO for U-Media program, Kiev

Liliya Molodetskaya, executive director, Ukrainian Newspaper Publishers Association, Kiev

Tim O'Connor, head of IREX office, U-Media program, Kiev

Natalya Petrova, media lawyer, TOP-Media program, Odessa and Kiev

Irina Prokopyuk, editor and publisher, *Kafa* newspaper, Feodosia, Crimea

Taras Shevchenko, media lawyer, Internews Network, Kiev

Moderator

Oleg Khomenok, media trainer, IREX U-Media program, Kiev and Simferopol

Observer

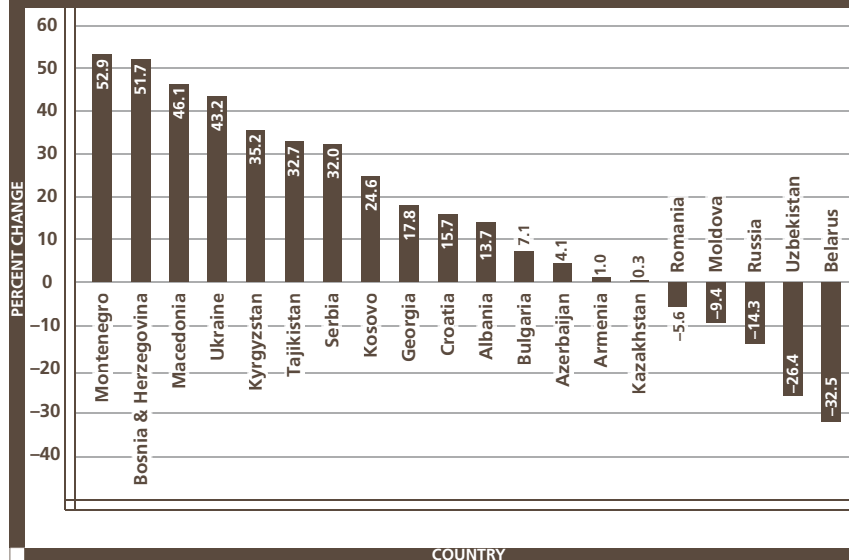
Svitlana Buko, IREX, coordinator of Ukraine Media Partnership Program, Kiev

UKRAINE AT A GLANCE

GENERAL

- **Population:** 47,700,000
- **Capital city:** Kiev
- **Ethnic groups (% of population):** Ukrainians 77.8%, Russians 17.3%, Belarussians 0.6%, Crimean Tatars 0.5%, Moldovans 0.5%
- **Religions (% of population):** Ukrainian Orthodox – Kiev Patriarchate 19%; Ukrainian Orthodox – Moscow Patriarchate 9%; Ukrainian Greek Catholic 6%; Ukrainian Autocephalous Orthodox 1.7%; Protestant, Jewish, none 38%
- **Languages (% of population):** Ukrainian, Russian, Crimean Tatar Romanian, Polish, Hungarian
- **GDP:** 324 billion UAH (about US\$62 billion) *State Committee of Statistics of Ukraine for 2004*
- **GDP/GNI per capita:** 6,800 UAH (about US\$1,300) *State Committee of Statistics of Ukraine for 2004*
- **Literacy rate (% of population):** 99.7%
- **President or top authority:** President Victor Yuschenko, Prime Minister Yulia Timoshenko
- **Next scheduled elections:** Parliamentary March 2006

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004

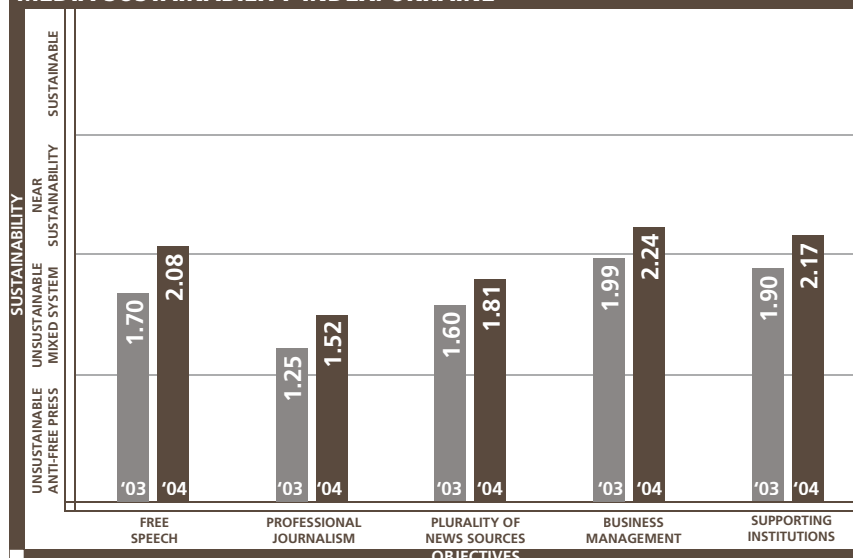


MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** 1,900 copies per 1,000 people are produced. The largest newspaper is *Silski visti*, with a circulation of 526,868.
- **Broadcast ratings (top three ranked stations):** Inter, 1+1, ICTV
- **Number of print outlets, radio stations, television stations:** There are more than 19,000 print outlets and about 800 television and radio stations. *State Committee on Information, TV and Broadcasting, National Council on TV and Broadcasting*

- **Annual advertising revenue in media sector:** US\$260.5 million *Ukrainian Advertising Coalition*
- **Number of Internet users:** 4 million people use the Internet. *Bigmir.net*
- **Names of news agencies:** DINAU-Ukrinform, Interfax-Ukraine, UNIAN, Ukrainian News

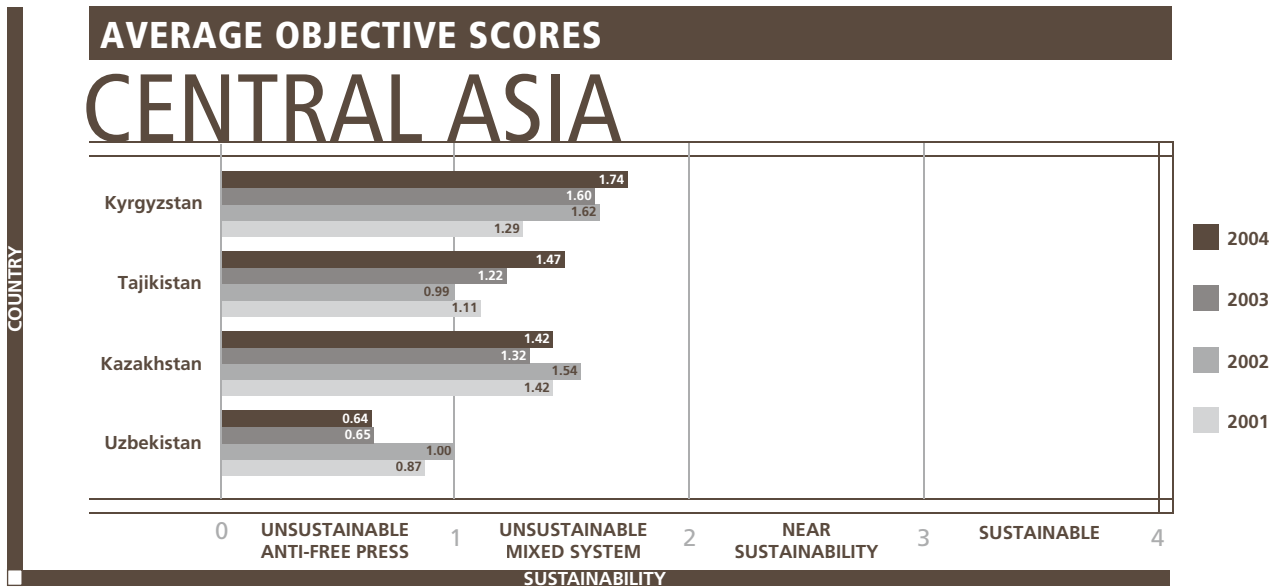
MEDIA SUSTAINABILITY INDEX: UKRAINE



CENTRAL ASIA

AVERAGE OBJECTIVE SCORES

CENTRAL ASIA



“THE GOVERNMENT IS NOT WILLING TO CONDUCT AN EFFECTIVE INVESTIGATION THAT WOULD REMOVE ALL PUBLIC DOUBT WITH REGARD TO THE CRIMES COMMITTED AGAINST JOURNALISTS,” SAID EVGENII ZHOVTIS.



By the end of 2004, Kazakhstan had turned the corner on difficult economic reforms. The gross domestic product (GDP) increased to nearly \$2,000 per capita, the population's overall well-being steadily improved, and the foundation for a market economy was created.

But although Kazakhstan has the image of a country with a future based on oil and gas resources, it lost some of its investment appeal during 2004 as scandals¹ shook the country. There were splits in the political and business elites, controversies arose between the people and the state, and the lack of transparent procedures for small and medium investors limited their opportunities in the emerging economy.

The ruling forces remained mired in a Soviet-era mentality, governing by directive and concentrating presidential powers. At the same time, new political groups emerged with their own economic and political interests but without generating a more broadly representative government.² The September 2004 parliament elections exacerbated the situation, as the opposition won only one seat despite indications that it had gained popular strength since the previous elections.

During the 2004 Media Sustainability Index (MSI) panel, International Bureau on Human Rights in Kazakhstan director Evgenii Zhovtis described ordinary citizens as unhappy with the lack of reforms at local levels that affect their lives on a daily basis. Little has been done to control corruption, create transparent government structures, or limit the power of the elite in the decision-making process. The panelists noted that despite economic progress, political reform was yet to come.

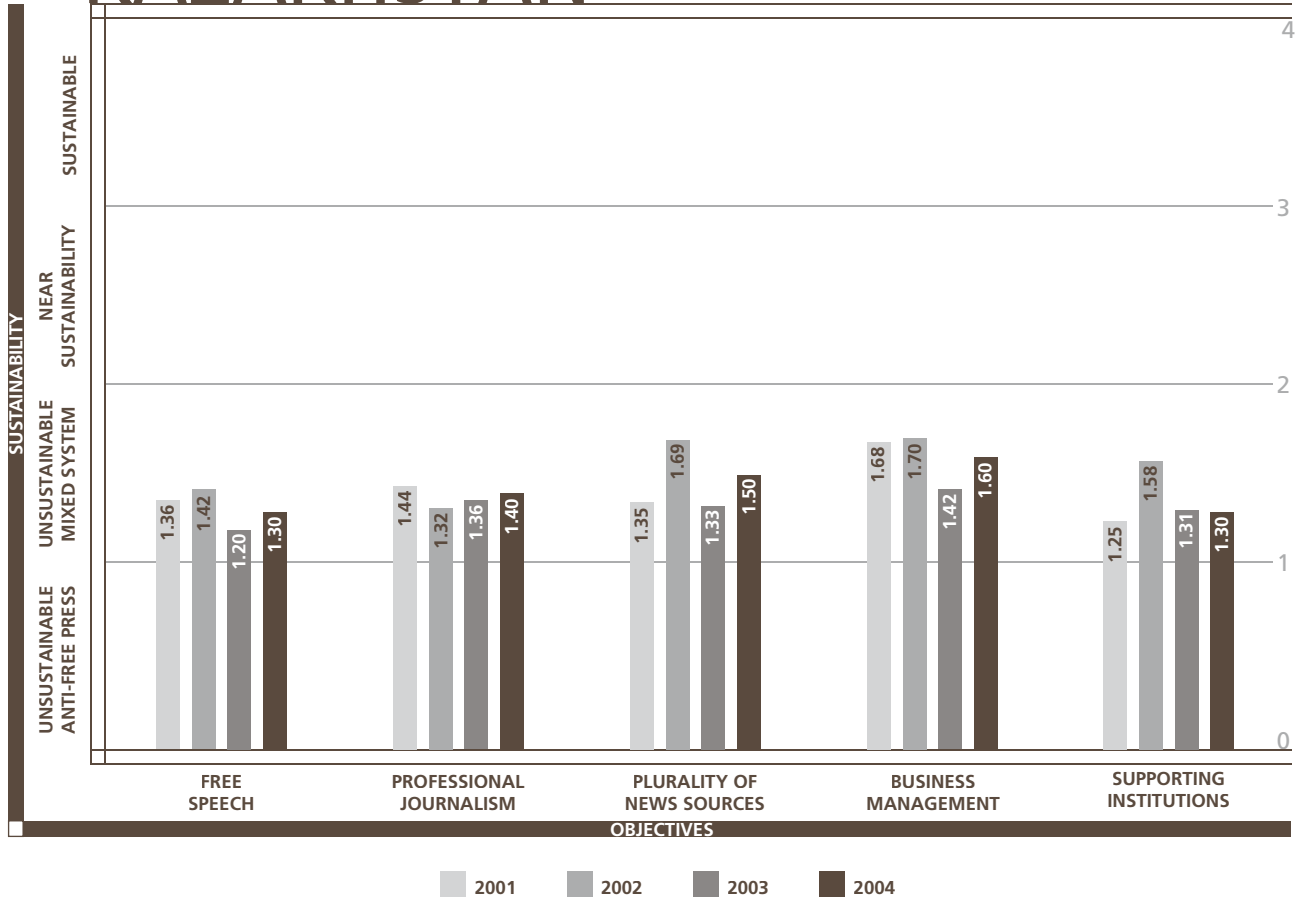
Kazakhstan's political situation directly impacts independent media development. This can be seen in the clear division of Kazakhstani media into pro-government and opposition media, with little or no objective middle ground. The president's daughter, Dariga Nazarbayeva, directs major media holdings, as well as the Congress of Journalists. The authorities

¹The Court of New York is currently trying a case, which was called "Kazakhgate," charging top officials of Kazakhstan with accepting bribes from foreign companies.

²Kazakhstan currently has 12 political parties. Political-activity development is restricted by means of a threshold requiring a party to have at least 50,000 members. In Russia, the threshold is 10,000, although the population is 10 times higher.

MEDIA SUSTAINABILITY INDEX

KAZAKHSTAN



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

consider broadcast media as propaganda tools, and government officials appoint the managers and create decision-making procedures at the outlets they control based on this perspective. MSI panelists said this gives the government considerable means to limit opposition voices, direct advertising to state media, and limit the growth of nonstate media. As a result, media take sides when controversy arises, and fairness and objectivity become secondary goals.

Media development in Kazakhstan did not progress significantly during 2004. Overall, the MSI panel ranked all objectives as registering only slight increases from 2003, except for the status of supporting institutions for the independent media, which declined marginally. The Constitution and the Law on Media that protect free speech represent typical immediate-post-Soviet legislation built on restrictions and media control for the sake of state interests. The criminalization of libel in the criminal code is striking evidence of how far Kazakhstan has yet to go. Kazakhstan has not officially adopted an ethics code for media. The distribution of news and information is not uniform in terms of quality and geographic reach. Self-censorship is a significant problem and is one of the main factors precluding media from covering key issues. And the media outlets are extremely short of well-trained professional journalists.

OBJECTIVE 1: FREE SPEECH

Kazakhstan Objective Score: 1.30 / 4.00

Kazakhstan has no law on free speech, and the existing Law on Media is more restrictive than protective, having been designed essentially to regulate state media activity. The law also contains no clear mechanism for monitoring the implementation of media legislation. Access to information is limited, and the government creates significant obstacles. The authorities completely regulate the licensing process. Crimes against journalists are not infrequent, but the culprits are rarely found, let alone prosecuted. Equal rights for state and independent media are guaranteed by the Law on Media. In practice, however, government agencies provide state media outlets an unfair advantage by offering them more information. But there are no restrictions on media outlets accessing international news through the Internet or any other sources, and entry into the journalism profession is not restricted.

As there are no mechanisms for guaranteeing free speech, most MSI panelists agreed that the Kazakhstani Constitution and the Law on Media proclaim this right rather than protect it. In addition, the criminal code,

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

the administrative code, and the civil code actually restrict the freedom of speech. Criminalization of libel is one such restriction. MSI panelist Tamara Kaleeva, president of the

Fund for Free Speech Protection Edil Soz, noted: "Overall legal norms stipulating freedom of speech loosely correspond to international standards. But the registration of media outlets is complicated. There are consequences for the involuntary infliction of moral

damages and for reprinting material from other sources. Article 155 of the criminal code includes punishment for hindering

"This year the authorities tried to pass a new Law on Media that would considerably restrict free speech. The public as well as most of the media outlets were silent. Only a few organizations and some newspapers fought against the law," said Galina Dyrkina.

the professional work of a journalist, but it has never been applied." The courts' ability to protect the media is restricted by their dependence on the political will of the authorities.

There are various forms of pressure on independent media, particularly those outlets critical of the government. Among them are lawsuits, tax audits,

"Overall legal norms stipulating freedom of speech loosely correspond to international standards. But the registration of media outlets is complicated. There are consequences for the involuntary infliction of moral damages and for reprinting material from other sources. Article 155 of the criminal code includes punishment for hindering the professional work of a journalist, but it has never been applied," noted Tamara Kaleeva.

overzealous inspections by the Office of the Public Prosecutor, and the refusal of officials to provide public information, an increasingly common trend in 2004. One example is the repeated efforts of a Majilis deputy, Serik Abdrahmanov, chairman of the Committee on International Affairs and Security, to sue an Internet-based newspaper for comments posted to the website by an unknown writer. Another

example from 2004 was the forged edition of the independent *Asandi Times* newspaper, which included articles directly opposing the newspaper. When the editorial staff made a public statement alleging that the administration of President Nursultan Nazarbayev might be connected with the fake issue, the president immediately sued the newspaper, claiming damage to the government's reputation.

In such cases, civil society is largely apathetic and does not actively protect free speech. Galina Dyrkina, d Iris Luarasi eputy chief editor of *Respublica*, said: "This year the authorities tried to pass a new Law on Media that would considerably restrict free speech. The public as well as most of the media outlets were silent. Only a few organizations and some newspapers fought against the law." In the end, it was not passed, but due primarily to the efforts of the international nongovernmental organizations (NGOs).

Licensing of broadcast media is the responsibility of the Ministry of Information and Communication, which is regulated by the state. The chairman is appointed by the top ranks of government, and the commission is viewed as consisting mainly of ineffective bureaucrats. Hundreds of applications have been waiting years for consideration, and frequencies have been distributed only to a few companies. Chimkent TV and radio station Ak-tiubinsk Radio Rifma have been unable to obtain expanded licenses, apparently due to political bias. MSI panelist Baljan Baisembekova, director for regional development of 31st Channel TV/Radio Company, said: "31st Channel has applied for a tender to expand broadcasting across regions of Kazakhstan, but the station has not been approved for participation since the channel is considered supportive of the Kazakhstani opposition. The tender was won by Rahat TV, a company whose technical capacity is much weaker." Several frequencies also were distributed to As TV, a private company affiliated with Timur Kulibaev, vice president of the national KazMunaiGas company and the husband of President Nazarbayev's younger daughter.

Independent media are not taxed more than other industries. Moreover, media receive tax preferences, including exemption from the value-added tax (VAT), although that expires at the end of 2005. The authorities nonetheless find ways to pressure nonstate outlets through taxation. For example, due to pressure from the Tax Committee, the chief editor of *SolDat* newspaper, Ermurat Bapi, was convicted of business-related charges and received a sentence that included a five-year ban on publishing as a journalist. The editor said he believed the case was a response to his articles on the high-level Kazakhgate corruption case. Four criminal cases were brought against Irina Petrusheva, chief editor of *Respublica*, for alleged tax evasion. Conversely, there were cases in which the editors became victims of their own carelessness. Rosani Ismailova, a publisher, said "media outlets are not professional in this business and often cannot afford an accountant who will prepare their taxes. Or they simply do not want to pay it."

Crimes against journalists and media outlets are committed regularly in Kazakhstan.³ In a number of cases these crimes can be linked to the journalists' political activity, and, as a rule, the offenders

³ Based on data from the Fund for Free Speech Protection Edil Soz, the following cases took place in Kazakhstan during 10 months in 2004: one arrest of media owner V. Meehailov from Aktobe, 12 attacks on media workers, the burning of the editorial office Yuiznyi express in Taras. No culprit was found or punished. Additionally, 18 criminal charges and about 100 civil court prosecutions, not to mention administrative penalties, were registered.

go unpunished. Evgenii Zhovtis, director of the International Bureau on Human Rights in Kazakhstan, said, "The government is not willing to conduct an effective investigation that would remove all public doubt with regard to the crimes committed against journalists." In June 2004, Ashat Sharipjanov, a journalist for an Internet-based newspaper, was killed. Aigul Omarova, a reporter for the Web-based newspaper *Navigator*, said the "police and all bureaucrats characterize this case as a traffic accident even though experts said that the injuries were not typical for a traffic accident. After that, a criminal case was initiated."

The criminal code of Kazakhstan contains six articles related to libel. The civil code includes articles on honor and dignity, and compensation for moral damages. In the criminal courts, one is innocent until proven guilty. In the civil courts, one must justify his actions and is guilty until proven innocent. Judges generally side with the state bureaucrats who sue media outlets. Dyrkina from *Respublica* said that in 2004, "the President's administration sued *Asandi Times*, claiming to protect the reputation of the president, and won the case. The Court ordered the newspaper to pay a very large sum for inflicting moral damages." A rare exception is the case involving journalist Gennadi Benditskii, who was charged with libel after a corruption investigation. The state lost the case, and panelists said the journalist was saved from criminal prosecution due to public outcry and intervention by the president himself.

Access to public information is not equally available for all media. According to the Law on Mass Media, the state agency must provide information to all media regardless of ownership. The law states that state and independent media outlets enjoy equal rights. In practice, according to the MSI panelists, this provision is consistently violated. For example, most state agencies invite only journalists from state media outlets to news conferences. Press releases are also selectively distributed, with priority given to those loyal to the government. Aigul Omarova, a reporter for the Internet-based newspaper *Navigator*, said: "A selective approach is also applied by the Ministry of Foreign Affairs, the Ministry of Interior Affairs, the Supreme Court, the Office of the Public Prosecutor, the president's administration, local governments, and large national companies—Kazmunaigas and Temirjol, among others—which are more or less loyal to the government. Recently journalists from *Respublica* and *Navigator* were barred from attending the Congress of Financiers despite their accreditations for the event!" Certain types of information are equally unavailable for the state and independent media, especially budget-

related data. Kazakhstani journalists generally do not challenge such restrictions.

Access to international news is generally open, despite some restrictions. Most outlets in the oblasts and in urban areas use the Internet as their main source of international news. However, there are unofficial filters. And from time to time, the websites—including www.kub.kz, www.eurasia.org.ru, www.freeas.org, and www.navi.kz—that carry international reporting on opposition groups are blocked by the primary Internet provider, Kazakhtelecom. Kazakhstani media have the right to retransmit foreign television and radio channels, but the share of such transmissions should not exceed 20 percent of the total broadcast volume. The outlet that rebroadcasts or reprints foreign media information is responsible for the content of the retransmitted program, including reprints from other newspapers or websites. In other words, referencing the original source does not exempt the outlet from liability. "Therefore, in a psychological sense, authorities restrict access to international news and news sources," said Evgenii Zhovtis, director of the International Bureau for Human Rights.

Biased treatment of foreign channels also exists. For example, Russian state channel ORT entered the Kazakhstani market, while another Russian channel, NTV, was unable to do so. Many residents of the capital, Almaty, subscribe to cable television, but the sole cable company is owned by the president's daughter, Dariga Nazarbayeva. MSI panelists said this relationship clearly affects the content of cable programming.

Entry into the journalism profession is free. The state imposes no licensing requirements and exercises no control over who can study at journalism schools or where entry-level journalists can be hired.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kazakhstan Objective Score: 1.40 / 4.00

Extreme polarization of public opinion, fueled by politicians or oligarchs, adversely affected Kazakhstani media in 2004. This polarization damaged the quality of media programming because many outlets are not objective and represent only one point of view. Kazakhstan lacks a widely accepted media ethics code. Self-censorship is widespread and prevents media from covering key issues. Living in a society in which corruption flourishes at all levels, journalists can also be complicit. Regional media are in extreme need of improved technical facilities, and the lack of quality niche reporting and programming significantly hinder

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

media development.

The overwhelming majority of private media outlets in Kazakhstan are supported by oligarchs, many of them friends and relatives of ranking government officials. Such outlets are forced to conform to the interests of their owners, and this precludes objectivity and thorough verification of sources. Both state and nonstate media often cover only one side of an issue. Tamara Kaleeva, president of the Fund for Free Speech Protection Edil Soz, said, "Recently, by the founders' request, *Express K* newspaper published material discrediting Kazkommersbank. During the trial, Igor

Shahnovich, the former editor of this newspaper, gave a detailed description of the entire campaign of pressure conducted by the founders. When the founder says that specific material

"...When the founder says that specific material must appear in the newspaper, the verification of information is out of the question," explained Tamara Kaleeva.

must appear in the newspaper, the verification of information is out of the question." In the Kazakhstani media, information is seldom verified, investigative reporting is rarely undertaken, and a balanced range

of points of view seldom is offered. Instead, reporting favors the government, the opposition, or powerful financiers.

One can easily determine who owns an outlet simply by viewing the content produced. MSI panelists said the 31st Channel, a private outlet organized in 1993 by graduating university students but since 2001 under the control of Bulat Utemuratov, secretary of the Security Council, presents varied perspectives. The panelists called it the most "objective" channel, but that rates as a marginal achievement based on the abysmal media climate.

Ethical standards have been established formally but are repeatedly violated to satisfy owners' interests. Journalists routinely conceal advertising revenue, accept bribes, and exchange goods and services for positive press. Evgenii Zhovtis believes that "ethical standards are replaced by the need to serve the government or the employer." Ethical guidelines were posted without consultation with journalists on the website of the Congress of Journalists, which is chaired by the president's daughter, Dariga Nazarbayeva, Zhovtis said, "but this site did not have public access, and the guidelines were not approved by a broad range of journalists. This represents an absolute failure to regulate journalists' work and to determine any ethical norms of journalists' conduct."

Self-censorship is a complex problem in Kazakhstan. Self-censorship occurs at all levels, as media outlets try to avoid drawing attention from the government, from business interests, and from individuals who might file suit against the "slandorous" media outlets. Self-censorship flourishes not only because journalists fear legal prosecution, but also because they fear losing their jobs or even physical harm.

No serious obstacles exist in covering key events or issues, but there are many taboo issues for journalists. These include the president and his family, ethnic problems, migration, security and bilateral relations, security service operations, terrorism, and political activism. In this case, journalists practice self-censorship not only when they cover a topic, but also when they do not choose a topic. Galina Dyrkina, deputy chief editor of *Respublica*, said the state newspaper, *Kazakhstanskaya Pravda*, "was given strict limits on what to publish in regard to opposition parties."

Not all key events and issues find their place in Kazakhstani media. "For example, all legal proceedings in the Court of New York involving high-ranking Kazakhstani officials, commonly referred to as 'Kazakhgate,' are covered by only a few print media outlets. Broadcast media give no information on it," said Dyrkina.

Corruption exists in Kazakhstan in all spheres of life, including media. Panelists noted that there are journalists who write made-to-order articles and some who have produced made-to-order television programs. It is widely known who works for whom. Some journalists earn quite high wages, but many do not; salaries range from \$50 to \$1,500 per month. Generally, the salaries of print media reporters are higher than those for broadcast. There is no striking difference in the salaries of independent and state media professionals, but there is disparity in the salaries of Kazakh-language print media and the higher wages for journalists at Russian-language outlets. The exodus of journalists to other businesses subsided in 2004.

The ratio of entertainment programs to news programs is similar across Kazakhstani broadcast media. Not all television outlets broadcast news on a daily basis, and even the state channels broadcast a disproportionate amount of entertainment programming. There are a few channels that try to balance news and entertainment programming, but they are fading. Evgenii Zhovtis, director of the International Bureau on Human Rights, said, "In the early to mid-1990s, there were many public-interest and analytical programs on television. Outlets aired a lot of live interviews and debates that raised social and political issues. But in the last few years, they have disappeared."

Broadcast companies' technical capabilities hinder the quality and regularity of news-related programs. In the larger cities, the technology is quite modern, but there is a drastic deterioration in the regional capitals. Regional broadcast media have limited funds, and the shortage of technical facilities and equipment is felt most in the production and distribution of news. It is even possible to buy newspapers printed on the old offset equipment of the 1960s.

Quality niche reporting and programming remain a significant problem in Kazakhstan. Aigul Omarova, a reporter for the Internet-based *Navigator*, said "the primary problem lies in the university training. Journalists are not trained in specialized reporting. The second reason is that the staff are often too small to allow journalists the time and resources to produce specialized reports."

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kazakhstan Objective Score: 1.50 / 4.00

Multiple factors limit access to multiple media sources offering varied viewpoints: the low purchasing power of the population, the ability of the authorities to hinder newspaper distribution through the state-run KazBasmosoz kiosk system, the efforts by the government to take control of television transmitter capacity, and the monopoly on Internet access held by Kazakhtelecom.

"This limited coverage of events leads to the deception of the people and deforms public opinion," said Tamara Kaleeva.

Neither state nor independent media reflect the full spectrum of political attitudes in the country, with most covering only government-approved issues. Most media are owned by economic and political factions reluctant to disclose their interests, and this damages public trust in the media.

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Among the main outlets are the state newspaper, *Kazakhstanskaya Pravda*, which is published from Astana; the Habar company, headed by the president's daughter, which includes Habar TV and the Habar information agency; TV KTK, TV NTK, and the newspaper *Karavan*, which are affiliated with Habar; and the private TV Channel 31 and newspapers *Express K* and *Vremya* in Almaty.

“State and private pro-government editions are preoccupied solely in disseminating government propaganda in all versions. They cover any situation only from the perspective of the government, and do not allow opposing points of view. Only if authorities change the rules of the game will the media serve the public interest,” explained Tulegen Askarov.

As is true throughout Central Asia, availability of various sources of information depends on geography. Urban areas have more open access to the Internet, and local and foreign media sources. Internet-based media are emerging, and *Navigator* is the first of the Web-based newspapers registered in the Ministry of Information. In the

regional centers, however, access is more limited. Many villages exist in a virtual information vacuum, as they have access only to state television channels. Because of the poor distribution infrastructure⁴ in rural areas, people too often do not receive independent news and cannot afford to use the Internet. Some rural inhabitants have satellite dishes, but foreign media outlets do not usually provide much information on events inside Kazakhstan.

No political restrictions are imposed on access to foreign media outlets. However, certain websites such as Eurasia, created by the *Respublica* newspaper, are at times unofficially blocked by the primary Internet provider, Kazakhtelecom. Kazakhstan has more than 30 cable systems with an increasing number of subscribers each year, but few people can access cable in rural areas because of the cost.

Kazakhstan is divided between pro-government and opposition media, making it difficult to expect broad-based objectivity. Tulegen Askarov, chief editor of *Epokha*, a private newspaper affiliated with the Ak-

⁴State newspaper distributor MazBasmasoz continues to refuse to distribute some opposition newspapers.

Jol party, noted: “State and private pro-government editions are preoccupied solely in disseminating government propaganda in all versions. They cover any situation only from the perspective of the government, and do not allow opposing points of view. Only if authorities change the rules of the game will the media serve the public interest.”

MSI panelists said that print media, although divided into pro-government and opposition camps, at least cover most of the political spectrum and give consumers a choice. Broadcast media, however, do not provide any range and frequently distribute distorted information about important topics, the panel said. Kazakhstan has broadcast outlets run by the state and private ones controlled by pro-government groups, but no truly independent television or radio stations dedicated to objective, balanced reporting exist. Tamara Kaleeva, president of the Fund for Free Speech Protection Edil Soz, said: “This limited coverage of events leads to the deception of the people and deforms public opinion.”

Almost all television channels produce their own news programs, but because they are so highly influenced by the state or state-aligned ownership, there is little variation among them. In addition to locally produced news programs, television channels broadcast material produced under international donor programs, mainly on social issues. Educational and cultural content is offered through the print media, but television programmers do not see it as profitable.

News agencies such as Kazinform, Interfax, Kazakhstan Today, Havar, and Eurasia often are the only sources of information on official events for independent media. However, these services are very expensive, and not every print edition can afford to subscribe. Moreover, panelists said the quality of the coverage provided by the agencies does not always justify the price because of the poor training of agency journalists, the tendency of most to provide a pro-government slant, and favoritism in how the news is distributed.

Little official information regarding media ownership is available. Panelists said this is true because most owners are either government officials who are not entitled to large property holdings or people from the president's inner circle. Media outlets that offer speculation on ownership often are promptly sued. The president's daughter, Dariga Nazarbayeva, is known to be the owner of the Habar company, however.

Minority-language media exist and are freely available, including publications funded by the state in the Korean, Uighur, and German languages. The renewal of a previously suspended Ukrainian-language edition

is under discussion. However, panelists noted that these publications are limited to benign coverage of the friendship of nations. The real concerns of ethnic minorities, such as Tajiks and Uzbeks living in Kazakhstan, are on the list of taboo subjects. Evgenii Zhovtis, director of the International Bureau on Human Rights, said: "It is considered that any problem is a detriment to stability, and there is a tough self-censorship. These newspapers by no means touch on the problems of access to public services, education, and business markets." A number of other topics also are taboo, including the use of natural resources, human-rights violations, and certain issues regarding health services and education.

OBJECTIVE 4: BUSINESS MANAGEMENT

Kazakhstan Objective Score: 1.60 / 4.00

Most media outlets in Kazakhstan are not well-managed businesses. There are practically no profitable media outlets, and those doing the best rarely do more than manage to cover production costs. For most independent media, unofficial political pressure on advertising agencies and large advertisers limits revenues. At smaller media outlets, work with advertisers is inconsistent. Media outlets that contradict the official story or criticize the authorities do not receive state subsidies in the form of paid articles

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

covering official events, newsprint, and equipment. Few media companies conduct market research or know how to use the data, and there is speculation that the research is not always accurate. Circulation figures are usually accurate because of tax regulations.

MSI panelists said most media outlets do not operate as efficient businesses because the owners do not want them to, preferring to use the outlets as tools for achieving their own economic and political goals. Cited as an example was *Express K*, where the owners have sufficient revenue from other business operations and do not see any need to profit from the newspaper.

“Small research companies in the regions provide different data. Thus, different newspapers claim that they are the leading publication based on the results of research conducted by different companies. One can speculate that these ratings depend on how much the editors have paid to see their editions at the top of the ratings,” explained Baljan Beisembekova.

Overall, the commercial advertising sector is small, and its structures are not well developed. The advertising agencies that do exist are largely controlled by business groups loyal to the authorities, who generally direct advertising to media outlets controlled by these groups and those owned by the government, said Tulegen Askarov, chief editor of *Epokha*. Advertisers are afraid of cooperating with independent media; thus, outlets such as *Respublica* have few ads and little ad revenue. Also, Russian-language media is the preferred vehicle for advertising, making the situation even more difficult for the Kazakh-language media.

Striking out as independent severely limits the chances that media outlets can be sustainable. With what advertising exists virtually closed off, they are forced to focus on revenues from circulation and grants or sponsorships. Galina Dyrkina, deputy chief editor of *Respublica*, noted: "If media outlets and media owners express their dissent, their businesses can hardly be efficient and profitable. The authorities have many instruments to restrain their businesses." The case of Mukhtar Abliazov, the former Energy Minister and owner of several television companies,

was offered as an example. "While he was in the ruling elite, his companies were flourishing, and they were receiving a lot of ads," Dyrkina said. "When Mukhtar joined the opposition (in 2002), his businesses collapsed within an hour, and no other marketing strategies could help him."

Some print outlets initiate subscription campaigns, but the revenue is unstable. The postal service remains responsible for distributing print publications by mail,

but it's very slow to return subscription profits.

"If media outlets and media owners express their dissent, their businesses can hardly be efficient and profitable. The authorities have many instruments to restrain their businesses," said Galina Dyrkina.

The state does not provide official support to media. However, the government subsidizes media outlets through a system of state contracts

for providing coverage, newsprint, and equipment. News outlets bid to provide coverage of government activities, and those outlets controlled by authorities win. Panelists noted that almost all regional media strive to obtain these subsidies, but in exchange must glorify the authorities.

Market research is used primarily by the larger, more financially stable print and broadcast outlets. A few regional media also use research, but most cannot afford it. All panelists agreed that the quality of market research in Kazakhstan is questionable at best. Baljan Beisembekova, director for regional development of 31st Channel TV/Radio Company, explained, "Small research companies in the regions provide different data. Thus, different newspapers claim that they are the leading publication based on the results of research conducted by different companies. One can speculate that these ratings depend on how much the editors have paid to see their editions at the top of the ratings."

Another business management issue facing Kazakhstani media is the dependency of outlets on the country's political situation. The state dictates its own rules for media development and often scorns the use of market research. As noted by Evgenii Zhovtis, director of the International Bureau on Human Rights, "In this country, market research does not have an impact on the market. One can research anything, but political influence and government resources can restructure this market. Research does not play any principal role."

Similarly, media ratings are used by the authorities as a tool to influence public opinion. According to Zhovtis, "In Kazakhstan, the ratings of any particular media outlet, broadcast channel, or politician in a public-opinion poll is considered to be a propaganda tool. There are certainly some ratings agencies striving to keep their reputation and maintain some level of objectivity, but such agencies are under vigilant political control. If the issue pertains to politically delicate subjects, I am not sure these ratings will accurately reflect the situation." 31st Channel is one of the few television stations that tracks its ratings on a daily basis by using the services of a professional company and incorporates the results in its business strategy.

While the ratings of television and radio programs are difficult to verify, circulation figures are more reliable. The Ministry of Information conducted intensive inspections of print media in 2002, resulting in penalties for many print outlets that used inflated circulation figures. As a result, many media outlets are afraid to violate the law requiring all print editions to publish accurate circulation information. Galina Dyrkina, deputy chief editor of *Respublica*, said, "We record accurate circulation figures by counting each copy, because we are under severe tax controls. In case these circulation figures are incorrect, we would be liable and be fined."

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kazakhstan Objective Score: 1.30 / 4.00

Although supporting professional institutions are traditionally rather weak in Kazakhstan, the country does have associations that protect the interests of employers or business owners. There are also active trade associations that look out for the rights of their members. However, unlike in other industries, these organizations are not well developed in the media sector.

The lack of media solidarity and a general absence of leadership could be one explanation. Journalists also are not united and lack a common platform to advocate for their rights. Tamara Kaleeva, president of the Fund for Free Speech Protection Edil Soz, said, "The only people on staff at the Union of Journalists are the chairman, who is concurrently the Chairman of the Public Council on Media Affairs for the president, and the deputy chairman, who performs secretarial duties. In reality, these duties are performed by a pensioner and an historian. The union niche seems to

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

be occupied, but it is not quite clear what the Union of Journalists can do. Meanwhile, the Congress of Journalists, headed by the president's daughter, Dariga Nazarbayeva, represents no one and does nothing."

Few NGOs work on behalf of the media. Those that do include the Fund for Free Speech Protection Edil Soz, the Kazakhstan International Group on Human Rights and Law Compliance, the Fund for Journalists in Trouble, Internews, and the National Association of Broadcasters, which provides some legal support for television companies. Panelists described this level of support for media as insufficient and said that attempts to protect media rights come into direct conflict with the state-dominated system.

The pro-government, quasi-nongovernmental and quasi-professional associations created by the authorities operate in direct opposition to real NGOs. The state uses these organizations as vehicles for appearing to discuss changes in the law with representatives of the media, but they are otherwise inactive. For example, the Kazakhstan Association of Broadcasters, created to counter the National Association of Broadcasters, does not have a single employee. However, it is listed as a member of a government commissions working on media issues, panelists noted.

The high number of journalism graduates, trained at 18 faculties and institutes, does not compensate for the

shortage of professionally trained journalists. The MSI panel characterized the quality of university journalism education in Kazakhstan as very low, often taught by professors trained in other fields and lacking any hands-on experience for students. Graduates are forced to continue their education on the job or upgrade their skills through professional training programs. Several panel members thought that there were sufficient training opportunities of high enough quality, but most felt there were too few seminars overall and that many did not reflect local needs and issues. Short-term training programs are offered by international organizations, but most target broadcasters. Media managers at urban stations generally are willing to allow their employees to participate, but regional broadcast media and print outlets are less eager, citing severe staff shortages.

The number of printing houses is sufficient,⁵ and they are competitive. The 2003 attempts by the government to pressure private presses have decreased. However, government authorities still seek to keep

all media under control, including private businesses. During September 2004 parliamentary elections, state censors were often present at the private printing houses to observe the production of newspapers. At the same time, state-owned printing houses are selective in providing their services. Galina Dyrkina, deputy chief editor of *Respublica*, said: "In the first instance, they provide their services to state-owned media outlets. They even lower prices for them. As usual, under different pretexts, they refuse to print the opposition press."

Access to media distribution channels is not equal. Opposition newspapers have not been allowed to enter the market through the kiosks supplied by KazBasmasoz. Tulegen Askarov, chief editor of *Epokha*, noted, "Unofficially, there is a list of newspapers prohibited for distribution. Sellers in kiosks always find excuses to refuse the opposition press." Private

"In the first instance, they [private printing houses] provide their services to state-owned media outlets. They even lower prices for them. As usual, under different pretexts, they refuse to print the opposition press," noted Galina Dyrkina.

⁵Two printing houses are state-owned in Kazakhstan. The rest are independent; among them, some are pro-government and some support the opposition.

distributors also experience pressure. Violation of access-to-information rights is evident even in the penitentiary system, where publications not included on an approved list are not accepted. This prohibition occurs despite the official registration of these papers with the Justice Ministry and Information Ministry and a law mandating free access for media outlets to the penitentiary system.

The largest and most profitable distributors of print media are the state-owned KazBasmasoz and the privately owned Argumenti & Facti. However, in rural areas, print editions are mainly distributed by private distributors because KazBasmasoz and Argumenti &

Facti do not have broad coverage.

As for the broadcast media, attempts to take control of television transmitters and place them on specially designed state-owned towers continued in 2004. Baljan Beisembekova,

According to Baljan Beisembekova, "There was an example in Karaganda (in northern Kazakhstan) where the authorities attempted to dismantle a private transmitting tower and return it to municipal property."

director for regional development of 31st Channel TV/Radio Company, said: "There was an example in Karaganda (in northern Kazakhstan) where the authorities attempted to dismantle a private transmitting tower and return it to municipal property." Internet access, according to the panelists, is also controlled by Kazakhtelecom, a monopoly.

Panel Participants

Galina Dyrkina, deputy chief editor, *Respublica*

Tamara Kleeva, president, Fund for Free Speech Protection Edil Soz

Baljan Beisembekova, director for regional development, 31st Channel TV/Radio Company

Aigul Omarova, reporter, *Navigator* Internet newspaper

Rozani Ismailova, expert in publishing business

Evgenii Zhovtis, director, International Bureau on Human Rights in Kazakhstan

Tulegen Askarov, chief editor, *Epokha* newspaper

Moderator

Elena Buldakova, Bishkek, Kyrgyzstan

Observers

Maria Stefurak, media-development expert, US Agency for International Development (USAID)

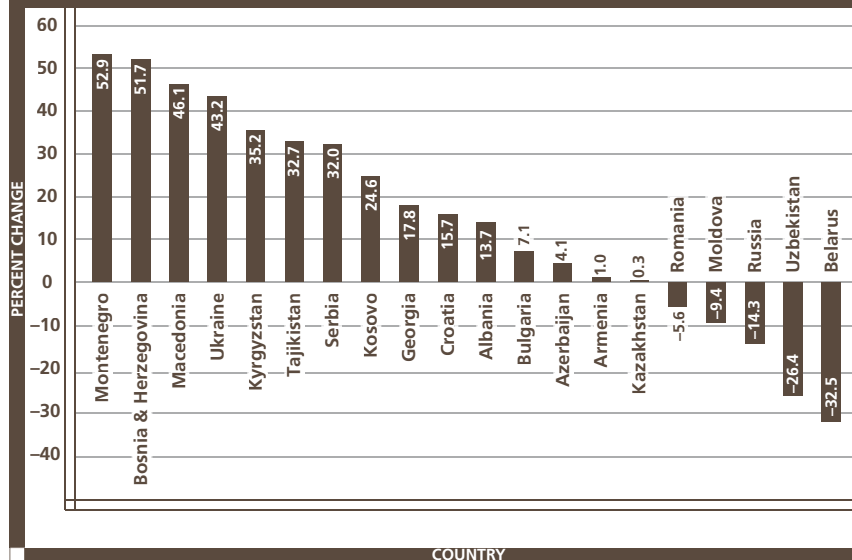
Stanley Currier, regional manager of educational programs, IREX

KAZAKHSTAN AT A GLANCE

GENERAL (data from *CIA World Factbook*)

- **Population:** 15,143,704 (est. July 2004)
- **Capital city:** Astana
- **Ethnic groups (% of population):** Kazakhs 53.4%, Russians 30%, Ukrainians 3.7%, Uzbeks 2.5%, Germans 2.4%
- **Religions (% of population):** Muslim 47%, Russian Orthodox 44%, Protestant 2%, other 7%
- **Languages (% of population):** Kazakh (Qazaq, state language) 64.4%, Russian (official, used in everyday business) 95% (est. 2001)
- **GDP:** US\$105.5 billion (est. 2003)
- **GDP/GNI per capita:** \$6,300 (est. 2003)
- **Literacy rate (% of population):** 98.4%
- **President or top authority:** President Nursultan Nazarbayev
- **Next scheduled elections:** Presidential 2006

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004

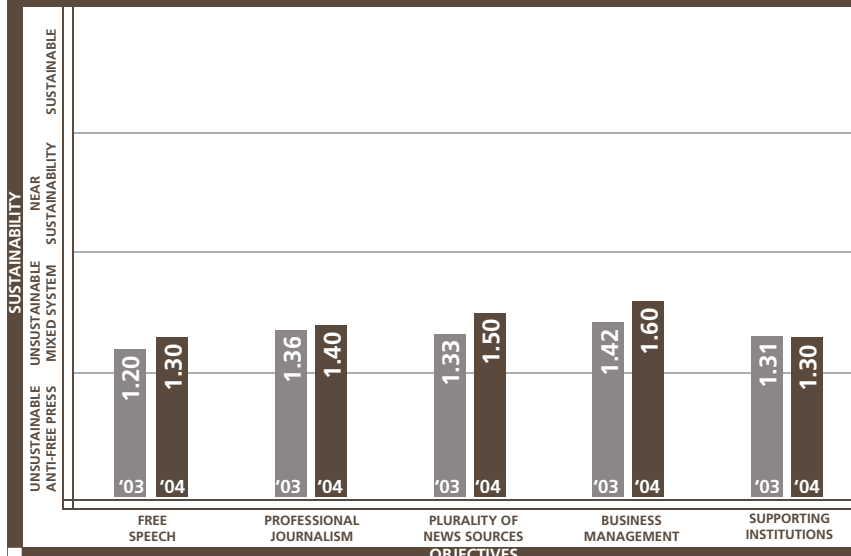


MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** *Vremia*: 169,975 copies; *Caravan*: 225,000 copies; *Express K*: 97,175 copies; *Megapolis*: 72,000 copies
- **Broadcast ratings (top three ranked stations):** The most popular radio stations are NS, Radio-31, and Autoradio. Russkoe Radio and Kazakh Radio follow closely behind.

- **Number of print outlets, radio stations, television stations:** As of June 1, 2004, 5,495 media outlets were registered, but only 2,022 of them are active. Of this amount, 514 are state-owned and 1508 are private. There are 130 television companies and 40 radio stations.
- **Annual advertising revenue in media sector:** NA
- **Number of Internet users:** 250,000 (2002) *CIA World Factbook*
- **Names of news agencies:** NA

MEDIA SUSTAINABILITY INDEX: KAZAKHSTAN



THE MSI PANEL SAW LITTLE PROGRESS FOR THE MEDIA IN 2004, WITH THE DRAMATIC EVENTS OF EARLY 2005 COMING ONLY AFTER ITS ASSESSMENT WAS CONDUCTED. WHETHER THE MEDIA WAS ABLE TO SEIZE THE NEW OPPORTUNITIES TO BUILD A MORE COMMERCIALY VIABLE AND PROFESSIONALLY INDEPENDENT INDUSTRY DEPENDED LARGELY ON HOW POLITICAL DEVELOPMENTS UNFOLDED DURING 2005.



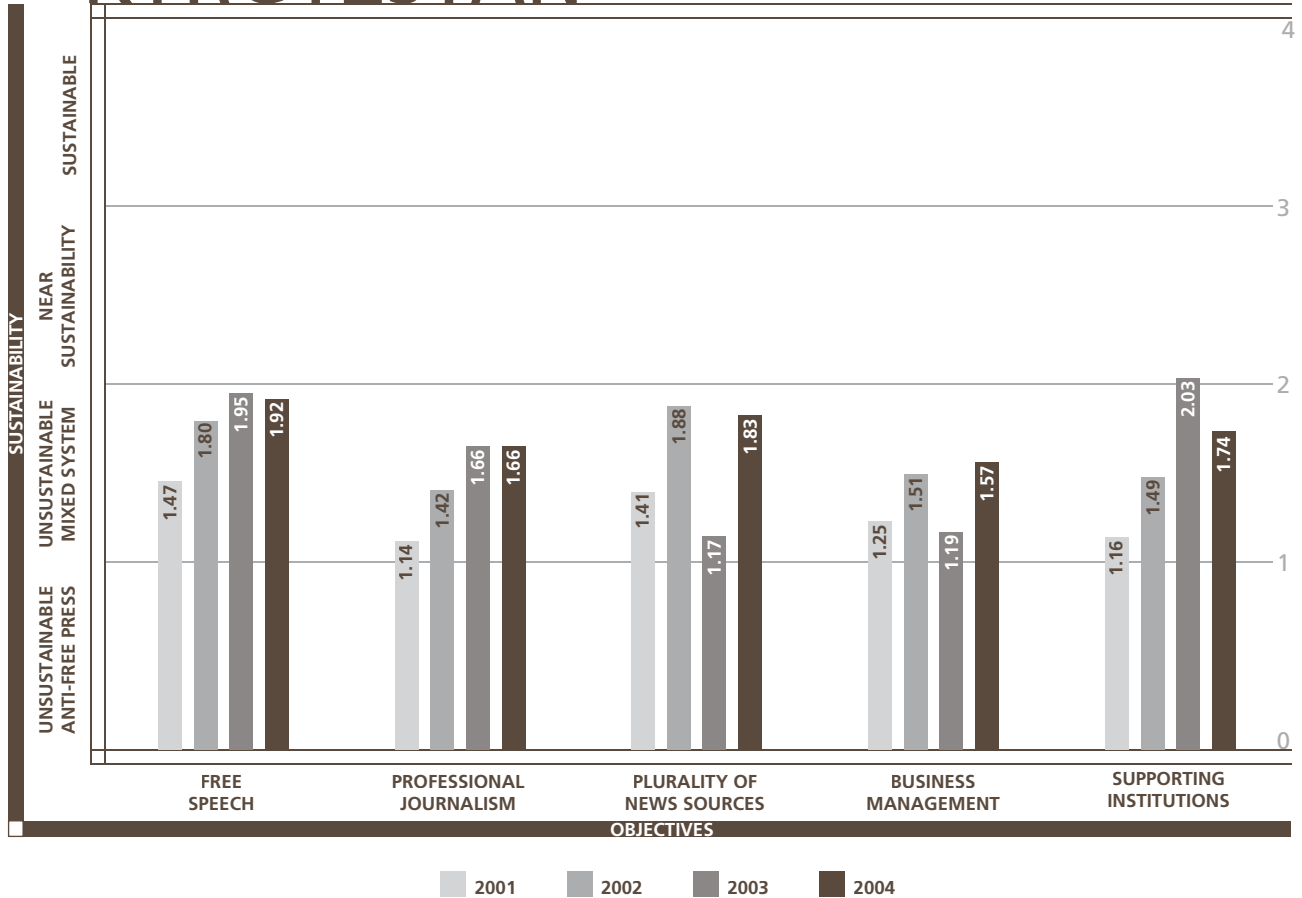
After the collapse of the Soviet Union, Kyrgyzstan confidently named itself an island of democracy in Central Asia, started reforms, and launched into a market economy. However, 13 years after independence, neither democracy nor the economic reforms were firmly rooted. Traders' markets set up on the grounds of defunct textile mills, profitable enterprises were scooped up by the well-connected, and badly managed and outdated energy and agricultural sectors were unable to meet domestic demand. High unemployment drove extensive migration to the cities. Meanwhile, President Askar Akayev proved unwilling to move democratic reforms forward, or to fight corruption. As Kyrgyzstan prepared for the February 2005 parliamentary elections, the ruling regime worked to monopolize important elements of the economy through cronyism and nepotism. Almost all the heads of the ministries, agencies, and other government bodies are close to the Akayev family, and both the president's daughter, Bermet Akayeva, and his son, Aidar Akayev, ran in the parliamentary elections.

There was, however, an unexpected merger of the long disunited opposition forces during 2004, including the People's Movement of Kyrgyzstan, the Atajurt and Jany Bagyt Public and Political Movements, the People's Congress of the Kyrgyz Republic, and the Civil Union for Fair Elections. After the two rounds of elections in early 2005 were criticized as tainted, frustration erupted in demonstrations that spread from the southern part of the country to the capital. Within just a few days, the president had fled Bishkek, surfaced in Russia, and signed his resignation on April 4. An interim government was put in place pending scheduled summer elections. The swiftly moving developments surprised virtually everyone, and neither the new political forces nor the rather weak independent media appeared fully prepared for the startling new opportunities presented after years of isolation and increasingly focused repression.

During 2004, what had once been the largest and most popular independent media outlets appeared to have fallen into the hands of the ruling elite, according to the assessment of the Media Sustainability Index (MSI). The Pyramid broadcasting company and the *Komsomolskaya Pravda*

MEDIA SUSTAINABILITY INDEX

KYRGYZSTAN



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

in Kyrgyzstan newspaper changed ownership, following the path of the daily newspaper *Vecherny Bishkek*. Use of the media as a political tool increased as state media received government support approved at the highest official level. At the same time, there was further monopolization of the commercial advertising market.

The Media Law of 1992 remained largely unchanged, and the inattention created an opportunity to drive freedom of speech into a corner. Among the means was the criminal prosecution of journalists for defamation under a law without any statute of limitations. Self-censorship was widely practiced by editors and journalists afraid to risk lawsuits or have their companies closed for political reasons. Dysfunction in media distribution led to tremendous information gaps, which received no attention and meant many in rural areas could not access media.

The MSI panel saw little progress for the media in 2004, with the dramatic events of early 2005 coming only after its assessment was conducted. The role of the media in the ousting of the Akayev government remained to be analyzed fully, and whether the media was able to seize the new opportunities to build a more commercially viable and professionally independent industry depended largely on how political developments unfolded during 2005.

OBJECTIVE 1: FREE SPEECH

Kyrgyzstan Objective Score: 1.92 / 4.00

Kyrgyz law protects freedom of speech in theory, but not in reality, and journalists feel vulnerable to becoming victims of crimes related to their profession, the 2004 MSI panelists agreed. If violations of free-speech rights are disclosed, however, the public does sometimes actively express its dissatisfaction. The criminal law prosecutes libel in Kyrgyzstan, however, and the licensing of broadcast media has depended completely on politics. The state media have had an obvious advantage over independent outlets in obtaining information, but access to international news is not restricted.

Article 6 of the Constitution of Kyrgyzstan guarantees freedom of speech, and there are three laws that regulate the media—the Mass Media Law, the Law on Defending Professional Activity, and the Law on Guarantees and Free Access to Information. However, they are largely ineffective. “These laws are not taken into consideration when judges consider lawsuits filed by officials such as the prime minister, ministers, prosecutors, judges, governors, and other public servants against journalists and the media,” said Kuban

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

Mambetaliev, chairman of the board of the Journalists Public Union in Bishkek.

Suits are filed under the criminal code according to Articles 127 (libel) and 128 (insult). “First, ‘libel’ is considered not by the civil, but by the criminal code,” said Marina Sivashova, editor of the Open Kyrgyzstan website. “Second, any cases related to media do not have a statute of limitation. This means that any politician can sue a journalist in a few years.” Although parliamentary deputies discussed draft laws removing libel as a criminal charge, these draft laws

According to Viktor Shloyev, commercial director of Polonya Ltd. in Bishkek: “It has become almost a norm to sue papers, or other media, for any criticism. Sometimes the so-called moral damages are so high that some papers and other media simply have to close.”

failed in the legislature three times, most recently in June 2003. In a defamation case, the defendant has to take responsibility for proving his or her innocence. Iris Omurzakov, editor of *Tribune* in Bishkek, said: "Today there are four trials taking place against the *Tribune*, which is charged with criminal libel and insulting honor and dignity for 9,800,000 soms (\$239,000). In this case,

"These laws are not taken into consideration when judges consider lawsuits filed by officials such as the prime minister, ministers, prosecutors, judges, governors, and other public servants against journalists and the media," said Kuban Mambetaliev, chairman of the board of the Journalists Public Union in Bishkek.

articles were written on the basis of actual criminal cases, witness testimony, and video tapes." As the panelists noted, during recent years, journalists have not won a single case related to these laws.

Officials and parliament members also often file suits against newspapers for

insulting their honor, dignity, and business reputation, which falls under Article 18 of the civil code. The burden of proof lies with the defendant in these cases, too. For example, a Bishkek municipal court received a suit filed by MP Davran Sabirov against Jipara Jenalieva, a journalist for the *Kyrgyz Rukhu* newspaper. The MP is suing her for libel and defamation of character for ruining his business reputation. According to Viktor Shloyev, commercial director of Polonya Ltd. in Bishkek: "It has become almost a norm to sue papers, or other media, for any criticism. Sometimes the so-called moral damages are so high that some papers and other media simply have to close." There have been legitimate cases brought against journalists for their missteps, but few by comparison, the panelists said.

The allocation of frequencies to television and radio companies is another example of the poor legal framework for media. "In all the countries of the world, there is only one body regulating licenses and frequencies, but in Kyrgyzstan there are two of them—the State Commission for Radio Frequencies, headed by the defense ministry, and the State Agency for Communication," said Kuban Mambetaliev, chairman of the board of the Journalists Public Union in Bishkek. The State Agency for Communication issues licenses based on permits given by the State Commission for Radio Frequencies, allowing the government to restrict

broadcasting. The situation is exacerbated by the government's right to appoint the regulatory bodies.

In 2004, for example, the State Commission for Radio Frequencies and the State Agency for Communication delayed extending expired licenses, and they also did not allow new companies to broadcast. As a result, television and radio stations had to apply to the president, after which the commission decided to sell frequencies through an auction. But Alexander Kulinsky, editor of TV NTC in Bishkek, said no regulations were issued for these auctions. "Now licenses are extended for three months, a process which contradicts the Licensing Law of Kyrgyzstan, which states that licenses are valid up to two years as a minimum," he said.

Several television and radio companies waited for even temporary license extensions. According to Ernis Mamyrganov, director of the Osh Media Resource Center, "The Meson radio station and DDD TV in Osh have been waiting for their licenses for three years. One youth nongovernmental organization (NGO) from Jalalabat, which received a grant to buy broadcasting equipment, has not been able to acquire a broadcasting license for two years. This is happening, and there is not a single local radio station in Jalalabat." Panelists viewed the problem of issuing licenses and frequencies as especially acute prior to the parliamentary elections.

Media outlets appealed for an exemption from the 20 percent value-added tax (VAT), but without success. "When it comes to the taxation system, media in Kyrgyzstan are in a worse position than other businesses," said Marat Tazabekov, director of the *Aki Press* Information Agency in Bishkek. "There are two reasons for this. On one hand, media are subject to an additional tax on advertising. On the other hand, there are restrictions on the total volume of media advertising. If the limit is exceeded, the government can fine violators or initiate other types of sanctions." There also are isolated cases of tax authorities pressuring independent media outlets.

In 2004, crimes were committed against journalists that included detentions, beatings, and threats, but those who committed the acts were never prosecuted. Iris Omurzakov, editor of the opposition *Tribune* newspaper in Bishkek, said that in 2004 he was badly beaten by a police captain and an army major who came to his home, but they were not punished. Gulbara Imankulova, a journalist at the *Talas Chronicle* monthly bulletin, said that in October 2004, the editor-in-chief of the *Issyk - Kul* Tour rayon newspaper was killed. "The founder of the paper carried out his own investigation, and believes that it was definitely a murder. But

nobody will talk about it," she said. Those who burned the car of the editor-in-chief of *Moya Stolotsa – Novosti* in June 2003, as well as those responsible for beating a journalist at the same paper in January 2003, remained at large through 2004.

Panelists noted that not all crimes against journalists were necessarily seen as related to their work. "Just recently a journalist at the *Slovo Kyrgyzstana* state paper was beaten, but she insists that this crime was a robbery," according to Marina Sivashova, editor of the Open Kyrgyzstan website at the American University in Central Asia. The biggest crimes against journalists, the panelists agreed, were efforts to halt investigations. Marina Sivashova added: "Officials create obstacles to prevent access to information, and therefore media publish unchecked facts which result in libel or slander claims against them," said Sivashova. Such acts go completely unpunished.

State media receive preferential treatment over independent media in access to information. "Now that the major portion of media outlets are controlled by the state or belong to the family of the president, media operate in unequal conditions. Very often independent media are not allowed to participate at press conferences and other official events," said Kulinsky. Iris Omurzakov, editor of the *Tribune* newspaper in Bishkek, said: "Independent media have accreditation problems. *Tribune* has not been accredited by the state to cover events held by the president and the prime minister."

There are numerous examples of government and political involvement in the media, including private outlets. The family of the president owned the daily *Vecherny Bishkek*, TV KOORT, Love Radio, and 50 percent of Pyramid TV during 2004. The Alga Kyrgyzstan political party was headed by the daughter of the president, Bermet Akayeva, and it in turn influenced the content of *Vecherny Bishkek*. "Pyramid TV and radio in Bishkek, of which 50 percent of the shares have belonged to the family of the president since 2004, must get approval from the government for all of its programs," Kulinsky said. Artyom Petrov, editor of the *Internews* bulletin in Bishkek, added that "in the same manner, all editions of *Vecherny Bishkek* are subject to censorship." Big businesses continue to buy as many outlets as they can. In November 2004, a businessman from Kazakhstan bought *Komsomolskaya Pravda in Kyrgyzstan*.

At first glance, access to information in Kyrgyzstan does not seem to be restricted. But in practice, journalists have serious problems obtaining important information. According to Arkady Gladilov, acting

editor of *Vecherny Bishkek* and former editor-in-chief of *Komsomolskaya Pravda*, "After the Russian embassy was offended by the *Komsomolskaya Pravda in Kyrgyzstan* through a series of critical articles about migration and citizenship in the Russian Federation, the paper was banned from the embassy for two years."

The selecting of "desirable" media outlets is apparent at briefings and press conferences arranged by government bodies. Many journalists complain that most officials agree to give information only after familiarizing themselves with the questions beforehand. The Law on Public Secrecy also restricts access to information considerably. However, Gulbara Imankulova, a journalist at the *Talas Chronicle*, said: "Not all journalists know their rights. This can be beneficial for some officials, and they refuse to give information to journalists and impose censorship on articles which are being prepared for publication."

Kyrgyzstani journalists do make some efforts to secure their rights to public information. For example, Iris Omurzakov, editor of the *Tribune* newspaper, said that a Jalalabat newspaper editor sued a judge for "impeding a journalist's activity." Kuban Mambetaliev, chairman of the board of the Journalists Public Union in Bishkek, told the MSI panel that in May 2004 in Jalalabat and Osh, hearings took place on public information and the governor promised to set up a center to facilitate access.

In general, media can access international news, but not all local media can use the Internet due to the cost and the frequent power outages that plague the country.

Specialized education is not needed to become a reporter, the government does not control entrance to journalism faculties, and licenses are not issued. To become a journalist, it is necessary to have a university

"In all the countries of the world, there is only one body regulating licenses and frequencies, but in Kyrgyzstan there are two of them—the State Commission for Radio Frequencies, headed by the defense ministry, and the State Agency for Communication," said Kuban Mambetaliev, chairman of the board of the Journalists Public Union in Bishkek.

degree in any humanities subject. In past years, many graduates of medical, technical, and other universities have become journalists. For example, according to Marat Tazabekov, director of the *Aki Press* information agency: "At *Aki Press* magazine, all the journalists are financial experts by education." At the *Komsomolskaya Pravda in Kyrgyzstan* newspaper, not a single journalist has a degree in journalism. At *Vecherny Bishkek*, "we have an engineer, a doctor, and an expert in telecommunications as journalists," the editor said. Ernis Mamyrganov, director of the Osh Media Resource Center, noted: "In Kyrgyzstan, journalism as a profession is not prestigious, and there are no incentives to attract new journalists."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Kyrgyzstan Objective Score: 1.66 / 4.00

Kyrgyzstan provides none of the conditions needed for journalism to meet professional standards. In particular, there is little access to information, and not everyone can work with what is available to produce coverage of an international standard. Publications tend to be subjective and politically motivated. Very seldom do journalists present differing viewpoints on important events, and self-censorship is integral to the work of both editors and journalists. Low salaries, insufficient

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

training, and limited resources curtail specialization, especially quality niche reporting.

State and private media outlets share a tendency toward subjectivity and lack of balanced opinions. The only difference is that state media exclusively reflect official views, whereas the independent press often sympathizes with the opposition. Journalists frequently publish unchecked, sensationalized articles to preempt their colleagues. As Marina Sivashova, editor of the Open Kyrgyzstan website, said: "Journalism does not meet high professional standards, and we journalists are guilty of this. Articles are 90 percent opinion and only 10 percent actual facts." However, Iris Omurzakov, editor of the *Tribune*, said: "The reporting should not necessarily meet international standards. People want to 'chew on' opinions."

Only journalists from local offices of international newspapers, agencies, and projects such as the Associated Press, the Institute for War and Peace Reporting (IWPR), and Interfax are trying to meet generally accepted international standards—cross-checking the accuracy of information, interviewing multiple sources, and keeping personal opinions out of their coverage. According to Arkady Gladilov, acting editor of the *Vecherny Bishkek* newspaper, "13 years of relative independence is not enough time for Kyrgyzstani journalism to meet such high professional standards. Managers and journalists are professionals from the old Soviet school of journalism, in which thinking one thing and writing another, fear of losing one's job, and servility are the norm."

The Union of Journalists, successor to a similar Soviet union, adopted an ethics code in 1997, and in 1999, the Journalists Public Union adopted its own code. In 2003, the Independent Trade Union of journalists also adopted a code. None of the standards have been widely used in practice. Kuban Mambetaliev, chairman of the board of the Journalists Public Union, said the divisions between the state and independent media impede acceptance of these standards. It was also noted that many journalists have no idea of the existence of codes of conduct for journalists in Kyrgyzstan. According to Arkady Gladilov, acting editor of *Vecherny Bishkek*, "There is no need for such codes. These ethical norms are common to all mankind. They have been recorded both in the Bible and [the] Koran."

Journalists accept pay or gifts for articles, and panelists mentioned that journalists would likely write anything for a "good bonus." This increases as elections approach. Iris Omurzakov, editor of the *Tribune*, stated: "Sometimes politicians come with their ready-made articles, and only the name of the journalist has to be

changed. They pay good money for it. Parliamentarians and other officials visited me twice and offered me 50,000 soms (about \$1,250) to publish an article which had already been prepared. I did not agree, but in a couple of days it was published in another newspaper.”

This practice of writing sponsored articles results at least in part from the low salaries offered to journalists, although pay for the media is not as miserable as that for the educational sector. At government media, salaries range from \$50 to \$100 a month. At independent outlets they are a bit higher—from \$150 to \$200 a month. However, according to Marat Tazabekov, director of the *Aki Press* information agency in Bishkek, “Salaries in media supported by the state are more sustainable because representatives of the state media are supported by forced subscriptions. In this way, they are insured against bankruptcy. As for the salaries of independent media, they are dependent on advertisers and their popularity.” Artyom Petrov, editor of the *Internews* bulletin, said print media attract more advertising revenue than electronic media and tend to offer higher salaries.

Self-censorship is routine. Media managers are guided by the threat of losing their business, journalists by the fear of prosecution. Gulbara Imankulova, a journalist at the *Talas Chronicle*, noted: “The state press is fully subjected to censorship. The independent media outlets most frequently implement the will of their founders.” Journalists in Kyrgyzstan try not to cover certain topics, among them corruption, drug trafficking, the country’s gold reserves, and problems in the oil sector. Most editors at nongovernment media do not publish articles that portray the president of the country in a negative way. Therefore, dissident viewpoints appear only in some publications such as *Moya Stolitsa Novosti*, *Respublika*, *Litsa*, *Tribune*, *Agim*, and *Jani Ordo*.

Entertainment programming outweighs news and analytical programs in Kyrgyzstan. Most panelists felt that almost 90 percent of the programming of local broadcast media is movies, music, and other entertainment. In the print media, information accounts for approximately 10 percent, while there is a growing “yellow press.” According to Alexander Kulinsky, editor at TV NTC, there are three reasons for this: “First, entertainment programming is still more attractive to the general public; therefore, it is also attractive for advertisers. Second, political programs are not as profitable, are more expensive to

produce for broadcast media, and political programs can create a lot of problems with the authorities. The third reason is a general reduction in the quality of journalism. News and analytical programs cannot be proud of their quality. This is an indicator not only of the level of professional journalism, but also the tremendous influence of the politicians.” By contrast, Viktor Shloyev, commercial director of Polonya Ltd., stated: “News and entertainment programs are more or less balanced. People can choose whatever they like in accordance to their tastes: news, sports, music, or entertainment programs.”

Some regional and urban media outlets are technically well-equipped.

Technical facilities for broadcast and print media are provided by international organizations such as the Soros Foundation and through United States Agency for International Development (USAID) grants.

The facilities and equipment for most local electronic media, however, consist of old analogue equipment, including VHS and S-VHS. A lack of modern technical facilities seriously hinders the quality of print and broadcast media, according to the panelists. This is especially evident in remote towns and villages, where local print media outlets desperately need to modernize their facilities with digital recorders, cameras, and computers.

Quality niche reporting exists only at the larger media outlets such as *Vecherny Bishkek* and *Slovo Kyrgyzstana*, which offer coverage of culture, social issues, and other topics. Most independent-media journalists must be “universal,” in that they have to be able to cover any subject. The lack of niche reporting and programming results from a shortage of qualified journalists, as well as the lack of financial resources. It is very rare for local media to conduct investigative reporting. As a rule, there are few internal financial resources for this purpose, although some international organizations provide grants.

As Marina Sivashova, editor of the Open Kyrgyzstan website, said: “Journalism does not meet high professional standards, and we journalists are guilty of this. Articles are 90 percent opinion and only 10 percent actual facts.”

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Kyrgyzstan Objective Score: 1.83 / 4.00

In Kyrgyzstan, all types of media—broadcast, print, and Internet—are represented. However, diverse sources of information are more available to those living in the capital, while radio and television may be the only sources of information in rural areas. Expense may also limit people's access to available media. Major publications do not promote the views of the general public, since Kyrgyzstani media pander to the interests of certain political authorities. A network of information agencies was being created in late 2004. There is little transparency

According to Viktor Shloyev, commercial director at Polonya Ltd, "not many state or independent media outlets serve the interests of the country. A good example of this is the Vecherny Bishkek newspaper, which belongs to the family of the president. Today, the newspaper is a mouthpiece of the Alga Kyrgyzstan pro-government political party."

regarding media ownership, and information about media ownership is not publicly distributed. However, everybody knows about the holdings set up by the ruling political elite. When they can afford it, people often prefer foreign sources of information.

The operation of various media in Kyrgyzstan does not reflect a plurality of information

sources. Since about two-thirds of the population lives in rural areas, obtaining objective information is a problem for the majority. "Since most media are concentrated in the capital and in the Chui oblast, those in the more remote parts of the country have been experiencing information 'hunger,'" said Gulbara Imankulova, a journalist at the *Talas Chronicle* monthly bulletin. "The most available sources of media in the rural areas are television and radio. However, people cannot compare news and check the accuracy of information since only one national company (Kyrgyz TV and Radio) is broadcasting." According to Alexander Kulinsky, editor of TV NTC, "in the south of the country, the expansion of Uzbekistani media is obvious. Most people living in the Issyk-Kul and Chui oblasts watch Kazakh television. As for the Naryn oblast, there is an information vacuum."

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

All of the large newspapers—*Vecherny Bishkek*, *Delo*, and *Moya Stolitsa Novosti*, which have circulations of 5,000 to 80,000—are published in Bishkek and cover primarily national issues. At least 80 oblast, city, and rayon newspapers giving some degree of coverage to local concerns are published more or less regularly, but their circulation is much lower, in the 500 to 2,000 range per edition. However, for many people, newspapers are simply too expensive to buy regularly.

The Internet is available only in cities and oblast centers, but it is not subject to state restrictions. For rural people, accessing the Internet is very difficult. There is normally only one Internet provider in these areas, and prices for its services are extremely high. There are 500 villages in Kyrgyzstan that do not have telephone lines, and people living in the remote areas may not have even heard of the Internet.

Foreign media are not restricted but are expensive and often remain in stores unsold. Television channels from Russia and Kazakhstan broadcast into the territory via satellite or cable services, which operate in Bishkek and some regional centers.

Currently, most media in Kyrgyzstan do not serve the general public, the MSI panel agreed. According to Viktor Shloyev, commercial director at Polonya Ltd.,

“not many state or independent media outlets serve the interests of the country. A good example of this is the *Vecherny Bishkek* newspaper, which belongs to the family of the president. Today, the newspaper is a mouthpiece of the Alga Kyrgyzstan pro-government political party.”

Information on media ownership is not transparent, although most people know that many media outlets belong to or are controlled by the president or his circle. Viktor Shloyev, commercial director of Polonya Ltd., said: “It is well-known that one of the so-called media oligarchs is the son-in-law of the president. He owns the Airek advertising agency, KOORT TV, and Ala TV, a cable station. He also controls advertising for the Russian ORT, RTR, and other television channels. He actively interferes in the operations of the outlets that belong to him.” However, large business conglomerates do not own media outlets in Kyrgyzstan.

Under the guise of freedom, newspapers may be used to settle private disputes between media and journalists. Taking revenge on a competitor has become commonplace in media operations in Kyrgyzstan. According to Ernis Mamyrganov, director of the Osh Media Resource Center, “sometimes information wars between media reach a point that their audiences disappear. People react to this war in their own way. They stop trusting articles and buying newspapers.”

Kabar and Kyrgyzinfo are both state-run news agencies. The government supports Kabar, and the city of Bishkek finances Kyrgyzinfo. Only Aki Press news agency is independent and provides services to media outlets around the country, although many rural ones cannot afford to subscribe. In addition, some information is posted on agency websites, but rural media personnel do not necessarily have the skills to use a computer or to research using the Internet. Panelists said the recent improvements in news-agency services and professionalism are encouraging. For example, Artyom Petrov, editor of the *Internews* bulletin, noted that “some information appearing recently on Kyrgyzinfo cannot appear in any other state-controlled media.”

Independent television stations broadcast news for only 20 minutes a day. Independent media programs may offer more realistic and balanced coverage, although sometimes their programs are biased toward the opposition. The state-run television stations almost exclusively cover the government and the parliament. “In spite of the large number of Kyrgyzstani media outlets, all of them interpret news in their own way, offering their own subjective views,” said Petrov.

Kyrgyzstani media do not reflect a broad spectrum of social issues. For example, ethnic minorities living in

Kyrgyzstan are hardly covered, although journalists who do report on minority issues are not subject to prosecution. The laws of Kyrgyzstan do not restrict publications in minority languages. In the south of the country, the *Demos Times* is published in Uzbek. Issues related to ethnic minorities are also covered by *Ethnic World* magazine, but it is issued only four times a year and its circulation is a mere 350 copies. Panelists mentioned that minority-language reporting on any potentially controversial topic is restricted by government authorities during pre-election periods.

According to Arkady Gladilov, acting editor of the *Vecherny Bishkek* daily, “media do not support cultural and educational programs, since this information is seen as advertising. Even theater playbills cannot be published.”

Often topics related to the penitentiary system are unreported. Iris Omurzakov, editor of the *Tribune* newspaper, stated: “We were not able to cover the rebellion in the Osh detention center because certain officials did not allow us to do so.”

According to Ernis Mamyrganov, director of the Osh Media Resource Center, “sometimes information wars between media reach a point that their audiences disappear. People react to this war in their own way. They stop trusting articles and buying newspapers.”

OBJECTIVE 4: BUSINESS MANAGEMENT

Kyrgyzstan Objective Score: 1.57 / 4.00

The economic and political situation in Kyrgyzstan does not allow media to develop into well-managed independent businesses. Media operate instead as political tools, as evidenced by the fact that only a small fraction of the outlets are financially independent. Monopolization of the media and advertising markets, meanwhile, has led to decreasing demand for market research.

“Freedom of speech is under real threat,” said Ernis Mamyrganov, director of the Osh Media Resource Center. “Media have not gained the power to resist pressure and independently uphold their positions. The main reason for this is the severe economic hardship of media and their lack of financial viability.”

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

Inadequate tax legislation as well as insufficient circulation numbers and poor distribution networks hamper progress toward profitability for print media. In addition, printing costs are high, and there is a shortage of modern facilities. There are 10 presses, the largest being Uchkun, under the personal control of the president and 80 percent owned by the state, which subsidizes it. Freedom House, an international

As Bektash Shamshiyev, a journalist at Radio Liberty, said: "The government simply forces businessmen and owners of private businesses to advertise only at state-run media."

NGO, opened an independent press in 2003 with support from the US government. Regional centers have their own printing presses, but only two of them, in Osh and Jalalabat, are able to approach

modern standards. Local governors control the regional presses, and the obsolete equipment drives some newspapers such as *Naryn* and *Talas* to be printed in Bishkek at the Uchkun printing house, adding to their overhead costs.

Political pressure can be brought on the presses. Viktor Shloyev, commercial director at Polonya Ltd., stated: "If the political situation changes, very often independent printing houses become overly cautious. When the

authorities closed the *MCN* newspaper, not a single private printing house agreed to publish it. At Uchkun, a government censor worked there until recently, and he monitored everything that was published."

Media distribution throughout the country is uneven. Newspapers can reach remote areas of Kyrgyzstan only after lengthy delays, if at all. The two networks, the state-run *Kyrgyzpochtasi* and the joint stock company *Kyrgyzbasmasoz*, are not sufficient for market needs or always efficient. Iris Omurzakov, editor of the *Tribune* newspaper, said "many newspapers refuse to cooperate with *Kyrgyzbasmasoz* since the company often failed to fulfill its obligations and owes a lot of money." Most independent print media prefer to deal with private distributors.

In addition to subsidies from public monies, the state media rely on the annual subscriptions required of government employees. According to the panelists, some state-run media would rather not receive financial support from the state, but the authorities refuse to release them from their supervision. Included in this group by the panel were *Slovo Kyrgyzstana*, *Chui Izvestia*, and the oblast newspaper *Kyrgyz Tuusu*.

Independent media derive income from advertising, "hidden" advertising, and grants from international organizations such as the Organization for Security and Cooperation in Europe (OSCE), USAID, the Soros Foundation, and the Eurasia Foundation. Opposition newspapers, such as *Moya Stolitsa Novosti*, *Respublica*, and *Tribune*, operate with the support of grants.

Some independent outlets, especially those associated with the opposition, find that even private businesses are afraid to advertise with them. This seriously hinders revenues for non-state media. As Bektash Shamshiyev, a journalist at Radio Liberty, said: "The government simply forces businessmen and owners of private businesses to advertise only at state-run media."

Monopolization was a trend in the advertising market during 2004. The flow of advertising revenue went to the state-run Airek agency. Airek supplied *Vecherny Bishkek*, TV KOORT, Love Radio, ORT, and RTR with commercials. In this environment, it is extremely difficult for an independent advertising agency to carve out a place within the market. And in many areas of Kyrgyzstan, the advertising market is very weak or nonexistent due to the poor economy. Marketing surveys are conducted and used infrequently because of the monopolization and political influence on advertising. There is no independent verification of circulation figures for print media or audience share for broadcasters.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Kyrgyzstan Objective Score: 1.74 / 4.00

During 2004, the role of supporting institutions increased, but their success could not be gauged yet. The main factor slowing their efforts was the absence of a system to lobby the government to draft media legislation. In spite of a large number of universities with departments of journalism, graduates do not work in the media but prefer public-relations positions in international companies. Many journalists are able to enhance their skills through workshops.

There are no trade associations that represent editors, broadcasters, or publishers in Kyrgyzstan. Efforts to establish such unions failed because members were unwilling to pay membership dues. Kuban Mambetaliev, chairman of the board of the Journalists Public Union, said: "The willingness of editors to set up legal associations has not matured yet." In 2003, a new Trade Union of Journalists was established. However, according to Alexander Kulinsky, editor of TV NTC: "Efforts to set up an independent trade association of journalists failed for two reasons: an inability of the media outlets to organize a trade-union movement and unwillingness by the journalism community to unite for the purposes of defending and advocating for their interests."

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

In contrast, there are several NGOs that support media. The most experienced of them is the Journalists Public Union. Founded in 1998, the Union actively defends the interests of journalists, including in court. The Union also lobbies the government on the principles of freedom of speech and press. Legal and advisory services to the members are provided by the Osh Media Resource Center. Others include the Press Club Public Union; the Public Fund for Mass Media Development and Defending Rights of Journalists; the Association of Television Broadcasters, made up of several private, mainly regional, television companies; the Mass Media Association, consisting of 18 representatives of electronic national media; the Association of Independent

Electronic Representatives of Mass Media of Central Asian Countries; the Association of Regional Broadcasters; and the Association of Editors-in-Chief.

Not all panelists evaluated the operations of the supporting institutions positively. Arkady Gladilov, acting editor of *Vecherny Bishkek*, stated:

According to Alexander Kulinsky, editor of TV NTC: "Efforts to set up an independent trade association of journalists failed for two reasons: an inability of the media outlets to organize a trade-union movement and unwillingness by the journalism community to unite for the purposes of defending and advocating for their interests."

"[Supporting institutions] do not impact on the journalists' practice." The supporting institutions experience problems since there is no lobbying system in place to assist in drafting legislation. Nevertheless, there are examples of effective efforts. Alexander Kulinsky, editor of TV NTC, stated: "This year the Association of Television Broadcasters was able to persuade the State Agency for Communications and the State Agency for Radio Frequencies to extend licenses for the frequencies used by private television companies."

In 2004, two new organizations were added to the list. A grant from the European Union set up Media Representation, which was designed to lobby for draft laws and defend journalists and media outlets in court. The Association of Local Mass Media Editors was organized by the Press Service of the President of the Kyrgyz Republic, the Kabar information agency, and the Media Council of the Kyrgyz Republic with the

support of the Ebert and Soros–Kyrgyzstan foundations. Its aim is to consolidate local media for the purpose of enhancing the professional skills of their journalists and to provide technical and advisory services to employees of media and educational institutions. In addition, the association intends to organize journalists in establishing broad relations with similar unions and institutions in other countries. The board of the association is comprised of representatives from local media outlets. NGOs actively defend the principles of freedom of speech and the press, chief among them the Coalition of Nongovernmental Organizations.

The training of journalists at the universities does not include effective practical work through hands-on workshops and specialized courses. Experienced and well-known journalists are not invited or included in the training process. Marina Sivashova, editor of the Open Kyrgyzstan website and a professor at the American University in Central Asia, said: “[The] education of journalists at the universities is very poor. Certain universities have journalism programs taught by certain instructors. However, there is no uniformly adopted program. Practical training for students is arranged in a very formal way.” As the panelists noted, few faculty members are willing or able to improve their own professional skills, and there are no textbooks or manuals on modern journalism practice. As a result, journalism graduates enter the media market without sufficient skills, and significant time is required to re-train them. The Jalalabat Media Resource Center, supported by IREX, provides hands-on training specifically for student journalists through the Media Incubator Club, which is designed to augment the courses available at the local university.

Professional training is provided irregularly, on a grant-by-grant basis from international organizations. Marat Tazabekov, director of the Aki Press information agency in Bishkek, said: “Opportunities for short-term training of journalists in Kyrgyzstan are not sufficient, and they are largely ineffective.” Topics such as media management and news production are popular, but editors and news directors may not allow their staffs to participate due to personnel shortages.

Panelists disagreed about the state of Kyrgyzstani printing houses. Gulbara Imankulova, a journalist at the *Talas Chronicle* monthly bulletin, said there were no restrictions. However, most panel participants thought that printing houses were dependent on the state and gave preference to pro-state media. Artyom Petrov, editor of the *Internews* bulletin, added: “Small private and nongovernmental printing houses are managed too much by the officials.” Alexander Kulinsky, editor of TV NTC, said electronic media are more vulnerable

than print media to government pressure “because any mistake can draw the attention of the State Agency for Communications. The agency retains technical control over transmitters and can stop the signal of that outlet, including forcing its closure.”

Panel Participants

Marat Tazabekov, director, Aki Press information agency, Bishkek

Kuban Mambetaliev, chairman of the board, Journalists Public Union, Bishkek

Ernis Mamyrganov, director, Osh Media Resource Center, Osh

Viktor Shloyev, commercial director, Polonya Ltd., Bishkek

Miktibek Omurzakov, leading correspondent, Adilet information and analytical program, National Broadcasting Company, Bishkek

Bekdash Shamshiyev, journalist, Liberty Radio, Bishkek office

Artyom Petrov, editor, *Internews* bulletin, Bishkek

Alexander Kulinsky, editor, TV NTC, Bishkek

Iris Omurzakov, editor, *Tribune* newspaper, Bishkek

Marina Sivashova, editor, Open Kyrgyzstan website, journalism teacher, American University in Central Asia, Bishkek

Arkady Gladilov, acting editor, *Vecherny Bishkek* daily newspaper (ex–editor-in-chief of the *Komsomolskaya Pravda* newspaper, Bishkek)

Gulbara Imankulova, journalist, *Talas Chronicle* monthly bulletin, Talas

Moderator

Elena Buldakova, Bishkek, Kyrgyzstan

Observers

Chinara Omurkulova, director, IREX office in the Kyrgyz Republic

Maria Stefurak, media-development specialist, Democratic Development department, USAID

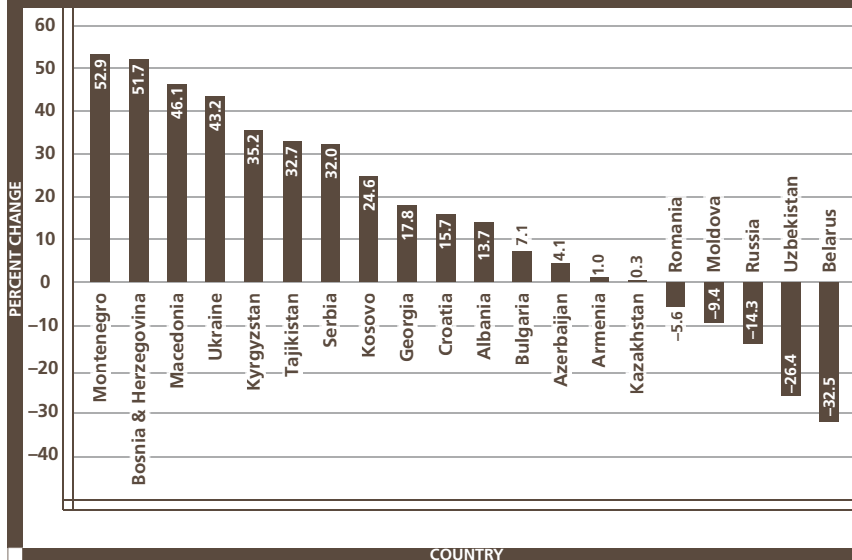
Jennifer Kroft, democratic-development specialist, USAID

KYRGYZSTAN AT A GLANCE

GENERAL (data from CIA World Factbook)

- **Population:** 5,081,429 (est. July 2004)
- **Capital city:** Bishkek
- **Ethnic groups (% of population):** Kyrgyz 65%, Uzbeks 13.8%, Russians 12.5%, Ukrainians 1%, Dungans 1.1%, Uygurs 1%, other 5.7%
- **Religions (% of population):** Muslim 75%, Russian Orthodox 20%, other 5%
- **Languages:** Kyrgyz: state language; Russian: official language
- **GDP:** US\$7.808 billion (est. 2003); GDP per capita: preliminary estimate US\$382 (US\$330 according to the Atlas method) or US\$1,600 (est. 2003)
- **Literacy rate (% of population):** 98.7%
- **President or top authority:** President Askar Akayev
- **Next scheduled elections** Parliamentary February 2005, presidential November 2005

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004



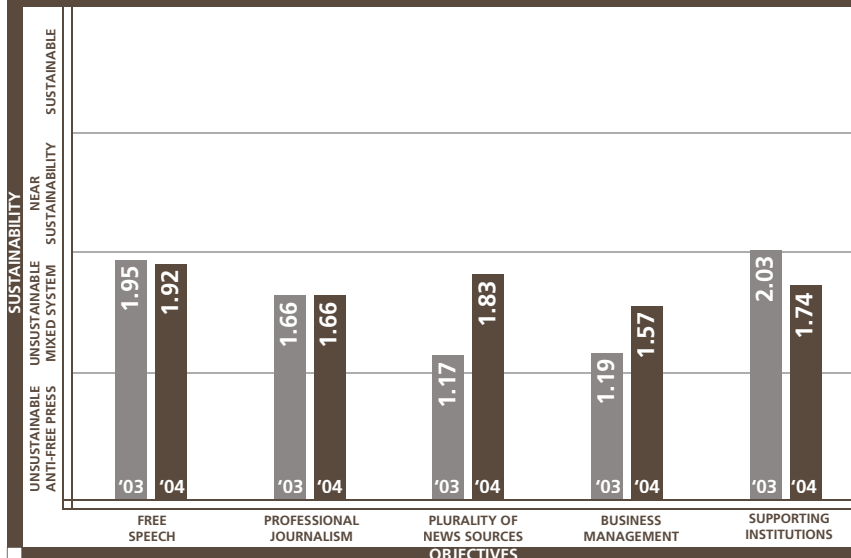
MEDIA-SPECIFIC

- **Newspaper circulation statistics (total circulation and largest paper):** The *Vecherny Bishkek* daily newspaper circulates 20,000 copies on weekdays and 80,000 copies on Fridays with the television program. *Moya Stolitsa News* circulates 5,000 copies on weekdays and 55,000 copies on Saturdays with the television program.
- **Broadcast ratings:** TV: ORT, RTR (Russian Federation), KOORT, Pyramid, Kyrgyz National Broadcasting Company; RADIO: Russian Radio, Europe plus,

Chanson Radio, Love Radio, Kyrgyz National Radio, Pyramid

- **Number of print outlets, radio stations, television stations:** There are 64 government, 56 private, and 12 regional newspapers in the country. Electronic media (television and FM radio stations) include 10 government, 40 private, and four regional stations.
- **Annual advertising revenue in media sector:** NA
- **Number of Internet users:** 152,000 (2002) *CIA World Factbook*
- **Names of news agencies:** Kabar and Kyrgyzinfo are government agencies, and Aki-Press is independent.

MEDIA SUSTAINABILITY INDEX: KYRGYZSTAN



LIDIA ISAMOVA, DIRECTOR OF THE INSTITUTE FOR WAR AND PEACE REPORTING (IWPR) PROJECT IN TAJIKISTAN, NOTED: "UNFORTUNATELY, ACCORDING TO THE CURRENT LAWS OF TAJIKISTAN, JOURNALISTS HAVE MORE DUTIES THAN RIGHTS. THEY ALSO HAVE A LOT OF RESTRICTIONS."

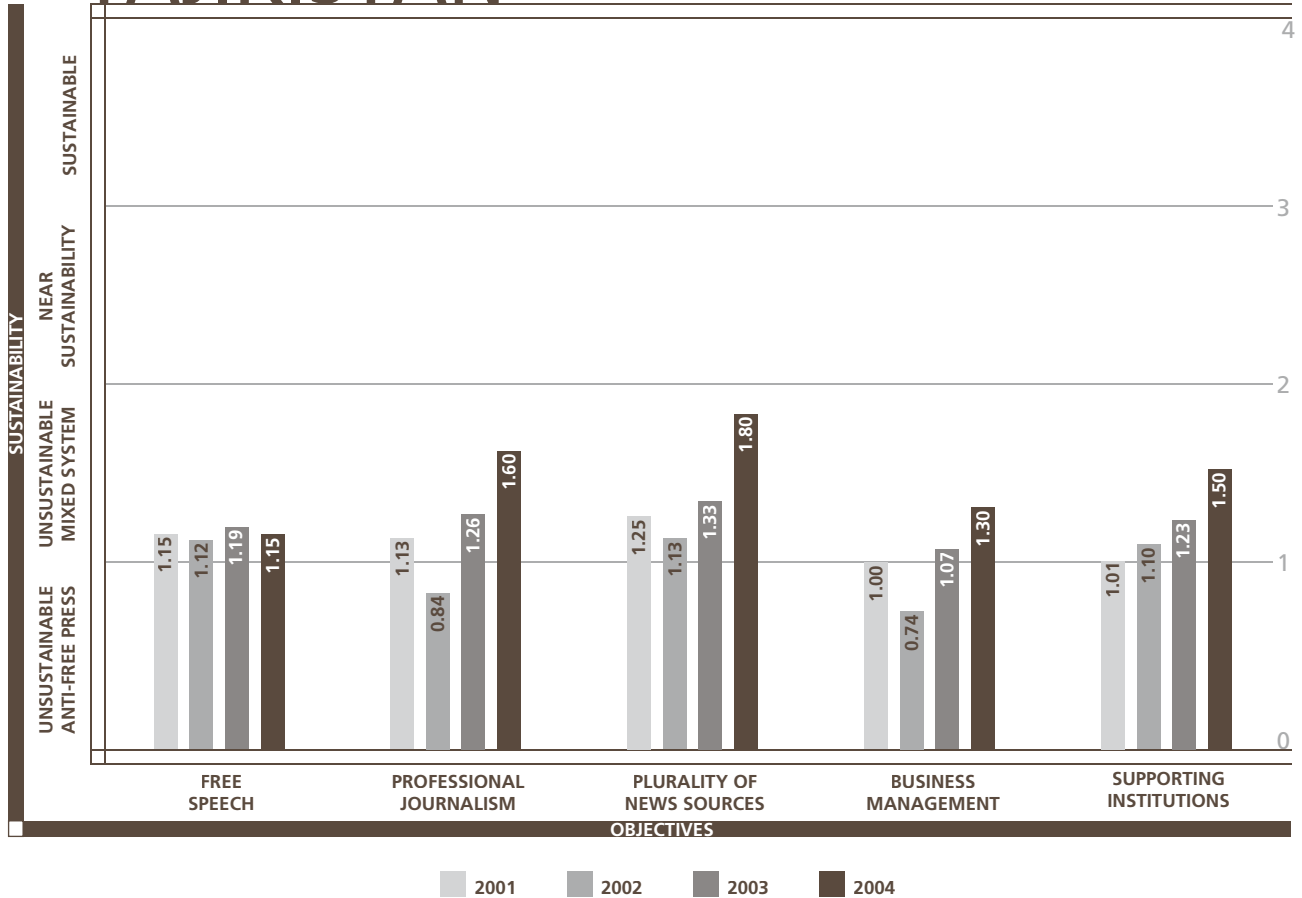


For several years, independent newspapers, television channels, and radio stations appeared in Tajikistan, and journalists' reporting became more courageous. However, in 2004 the situation changed significantly for the worse. The government increased its pressure on the media and controlled the private press more openly. Two major factors contributed to this: insufficiencies in legislation regulating the operation of media outlets and the withholding of information at many levels of public institutions that became increasingly ubiquitous even though it is banned by the Constitution. Journalists explain this increased government control of the media as preparation for the parliamentary elections held early in 2005.

Social and economic hardships also slowed the development of media in the country. The lack of financing made survival unrealistic for many independent outlets, only a few of which were able to draw in advertising income. The advertising market itself is underdeveloped due to a shortage of advertising professionals, little trust in the products advertised, and an agrarian economy with relatively few industries. In addition, many companies export their products and do not see any need to advertise within Tajikistan. Based on the poor purchasing power of the people, newspapers and magazines in Tajikistan are seldom distributed outside urban areas. Although Internet cafés are opening in urban areas, the cost puts them out of reach for many city residents. For the most part, rural people do not have any opportunity for access at all. According to estimates by members of the 2004 Media Sustainability Index (MSI) panel, as few as 11,000 of 6 million Tajikistanis use the Internet.

MEDIA SUSTAINABILITY INDEX

TAJIKISTAN



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

Laws related to media in Tajikistan are out of date, and they are routinely violated by the civil servants who are charged with overseeing them, the MSI panelists said. For example, in advance of elections, the government of Tajikistan did its best to restrict journalists' access to important public information. Self-censorship, common in Tajikistan in the years of civil war during the 1990s, again became prevalent. Low salaries pushed journalists to write made-to-order articles or forced them to leave the profession for other careers. Reporting in Tajikistan has not yet met international standards, but the MSI panelists said that some representatives of the media, particularly those working with international organizations and as well as some information agencies, were making progress in this regard.

Almost all printing presses are in the hands of the government, and both the state and a few private examples are often under government order or pressure not to publish some independent newspapers. In addition, they can periodically and arbitrarily refuse printing services. Electronic media, the most accessible means for distributing information in Tajikistan, also face serious problems. Among the most sensitive issues for broadcasters are procuring licenses, poorly developed professional skills, the drastic need to upgrade technical facilities, and government interference in editorial policies.

Access to information is a difficult hurdle for journalists. Compared with 2003, access to important information about government activity that should be available to citizens has become even more restricted. This followed the May 2004 introduction of a new protocol on Information Security by President Anomaly Rakhmonov. In the document, which was promulgated secretly, the ministries and state agencies increased their list of prohibitions on material that can be accessed. According to MSI panelists, journalists can be held responsible for articles that violate the prohibitions even though the protocol's content is unknown.

The media overall offers an abundance of music and entertainment programs, but there is an acute shortage of analytical programs devoted to the country's political, economic, and social concerns. There are few opportunities to improve the technical or financial standing of the media, or to improve the skills of journalists, managers, and other media-industry professionals. Compared with 2003, the media-distribution system has not improved. In many areas of the country, there is an information vacuum that has not been resolved.

OBJECTIVE 1: FREE SPEECH

Tajikistan Objective Score: 1.15 / 4.00

The 2004 MSI panelists were concerned about the deteriorating situation regarding free speech and access to information. They said the laws on media and other statutes purportedly offering legal rights and fair regulation were often simply declarations with no force in practice. In the lead-up to the early 2005 elections, the government increased pressure on media, limiting the ability of independent print and broadcast outlets to provide quality coverage. State-run media continued to have special privileges compared with independent outlets, especially in regard to acquiring licenses. They also had more opportunities to receive important public information.

Current legislation is insufficient in guaranteeing and regulating the professional media sector, and hinders the establishment of independent media in Tajikistan, the panelists concluded. The Law on Press and Other Mass Media was passed by the parliament

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

in 1990, followed by the Law on Television and Radio Broadcasting in 1996, and the Information Law and the Law on Printing Matters. However, the MSI panelists viewed these statutes as out of tune with democratic trends and international standards. Lidia Isamova, director of the Institute for War and Peace Reporting (IWPR) project in Tajikistan, noted: "Unfortunately, according to the current laws of Tajikistan, journalists have more duties than rights. They also have a lot of restrictions."

Newspapers opened during the period of July to December 2004 but were quickly closed. Newspapers such as *Ruzi Nav*, *Olamu Odam*, *Nerui Suhan*, and *Najob*, some based in the capital Dushanbe and

Kurbon Alamshoev, director of the Pamir Mass Media Center, said: "The government is afraid to issue any licenses for new media on the eve of the elections."

others in the regions, have not published for periods during the year because of investigations and prosecutions by various authorities, particularly the tax inspectors. But MSI panelists also

said it was noteworthy that community leaders and university groups have not arranged public protests or campaigns to protect these newspapers.

Recently the procedures for issuing broadcast licenses became much tighter and laborious, and the process ground to a virtual halt during 2004. Kurbon Alamshoev, director of the Pamir Mass Media Center, said: "The government is afraid to issue any licenses for new media on the eve of the elections." Radio stations in Isfara, Khujand, and Khatlon oblast were promised licenses by the State Committee of Tajikistan for Television and Radio Broadcasting—but only after the elections. The State Committee is a government body including only one journalist; this individual was not delegated by the media but rather appointed by government authorities. In the view of the MSI panel, this has resulted in unequal treatment of state and independent broadcasting companies. For example, panelists said, Russkoye Radio received a license in three days, whereas the independent Asia Plus has been waiting for two years for a television license and three years in the case of their radio-station application. In these cases, the authorities are using different standards for issuing or denying licenses.

Issuing licenses does not guarantee use of the broadcasting channels, however. As Rustam Buriyev,

director of Mavji Ozod TV, said: "A licensee can be required to share one channel between two television stations. One station will broadcast on even days and the other one on odd days. This happened in the Vose rayon of Khatlon oblast with the first channel, the Mavji Ozod TV station, and the Batir TV station."

The only positive feedback on licensing was that the annual cost, \$800, has spread over three years.

Television programs have also come under licensing requirements prior to production, said Masur Abdulloyev, training coordinator for the international media-support organization Internews. "Recently programs for broadcasting have been subjected to licensing (by the Committee of Tajikistan for Television and Radio Broadcasting). In this way, the government now has the capacity to control and censor the content of our radio and television programs. Therefore, producers of radio and television programs are under pressure."

Taxation for the media is equal to other commercial entities, although almost all the panelists agreed that the current tax code creates a real burden for media outlets. An amendment to the tax code, recently introduced by a presidential initiative, removes some tax burden from newspapers, but this has not satisfied the industry because the exemption applies only to relatively minor taxes. MSI panelists said the state tax agencies could be used by the government as a tool for harassing media outlets. Some also expressed the view that the tax authorities do not pressure media because a resolution can always be reached through the use of bribes.

During the civil war years of 1992 through 1997, media workers were beaten and abused. Today, they are threatened and subjected to harassment instead, but this has been sufficient to drive some from the profession. Investigative reporters are particularly vulnerable. In July 2004, Radjaba Mirzo, editor of the independent newspaper *Ruzi Nav*, was attacked by a man carrying a crowbar as he returned to work, an attack the MSI panelists said was an attempt to silence him. He suffered trauma to the skull but survived. Mavluda Sultonzoda, a journalist at the *Nerui Suhan* newspaper, was hounded by the government press after she wrote an article about the president and his staff. In the August 2004 article, the journalist simply questioned the president's income. Although the article did not condemn the president directly, Sultonzoda still lost her job and her husband was fired from his position as an assistant to the first deputy prime minister.

Not a single Tajik official who has offended a journalist in any way has been punished. Only a few journalists whose rights were violated or abused actually brought

their case to the courts because many feel that the process is useless. However, Tukhva Akhmadova, a correspondent at the independent weekly *Charkhi Gardun* and staff member at the Gamkhori Press Center, was able to relate an unusual case from 2004: "A journalist at the city television station in Kurgan-Tyube won a case in the court related to her firing from her job. In six months she was rehabilitated, and she was paid all the necessary compensation."

There is no legal difference in access-to-information rights for state and independent media. However, the situation is different in practice, with the state media having much better access to government officials and materials. Sometimes foreign media also do better than local non-state outlets in obtaining information. In late 2004, the president issued a decree giving the national news agency Khovar exclusive distribution rights for official information. The president's new Information Security protocol of July 2004 contains a list of prohibited and permitted topics, including data related to the extraction of precious stones, silver, and aluminum, as well as information on suicide cases. Journalists voiced concern that oil and natural gas might be added to the list. However, the details of the Information Security rules have not been distributed to journalists. Lidia Isamova, director of the IWPR office in Tajikistan, said: "This is discrimination against journalists. According to this concept, any newspaper can be sued and punished by the law. The authorities have simply created another lash to suppress us."

Restricted access affects the quality of the content. Indeed, most panelists believed that media content is based more on rumors rather than on facts. To get information, journalists normally have individually paid sources. Some informal alliances occur when public journalists share news with colleagues from private media outlets.

Many newspapers, including independent outlets, are pressured by the ruling Peoples Democratic Party of Tajikistan to publish what amounts to publicity material about the party. The ruling political party appoints the editors-in-chief of the state media.

Defamation cases were very rare in Tajikistan until recently. However, three court cases were filed against newspapers during 2004: *Vecherny Dushanbe* was sued by the deputy prosecutor of Dushanbe, *Odamu Olam* by the management of the national railway agency, and *Tajikistan* by the Ministry of Defense. Judges supported the government authorities in all three trials, with penalties ranging up to \$2,000. Corruption is endemic in the Tajik court system, panelists agreed, but

the lack of professionalism also makes media vulnerable to suits. Lidia Isamova, director of the IWPR office in Tajikistan, said: "Journalists at the aforementioned newspapers did not comply with some legal norms in the preparation of their articles, which then resulted in these trials. Or they did not provide at least two viewpoints and expert comments that would comply with international reporting standards. As a result, the articles appear to be libelous."

Access to international news and information has improved because of the Internet. There are four Internet providers, and if three years ago there was only one Internet café in Dushanbe, there now are about 50. However, access to the Web is still too expensive for many media professionals. International agencies operating in Tajikistan have been helpful in supplying Internet access for local journalists.

However, media in other areas of the country have limited access because of technical constraints such as sporadic power outages and poor telephone connections.

Entry into the journalism profession is free in Tajikistan. In addition, all those who work at any media outlet can freely call themselves "journalists," and there is no licensing.

Television programs have also come under licensing requirements prior to production, said Masur Abdulloyev, training coordinator for the international media-support organization Internews. "Recently programs for broadcasting have been subjected to licensing (by the Committee of Tajikistan for Television and Radio Broadcasting). In this way, the government now has the capacity to control and censor the content of our radio and television programs. Therefore, producers of radio and television programs are under pressure."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Tajikistan Objective Score: 1.60 / 4.00

MSI panel members agreed that journalism in Tajikistan does not meet international professional standards for a range of reasons. Too much information is subjective.

“Some independent journalists and staff of international information agencies and publications comply with international standards of journalism,” said Rustam Buriyev.

A code of conduct for journalists does not exist, and as a result, journalists violate ethical norms. The political situation surrounding the upcoming elections has led to increased self-censorship.

In some extreme cases, sensitive topics have been banned. Low salaries for media employees often force professionals either to change jobs, or to write made-to-order articles for politicians or businessmen. For these reasons, as well as poor technical facilities, many media professionals cannot produce and distribute high-quality news programs. There is an acute shortage of news

programs. There is a shortage of trained journalists in every oblast, and a lack of specialized coverage.

According to the panelists, reporting is not always fair, objective, or well-sourced. Therefore, articles are subjective and become an issue for the courts, as in the cases brought against *Vecherny Dushanbe*, *Odamu Olam*, and *Tajikistane*. Mamadat Bakhtiyorov, executive secretary of *Paemi Rushon* newspaper, said, “Reports and other media content are basically one-sided. The opinions of a wide range of people are not used.”

Media content is subjective and lacking in balance because of the restricted access to information and the low professional skills of the journalists. “Some independent journalists and staff of international information agencies and publications comply with international standards of journalism,” said Rustam Buriyev, director of *Mavji Ozod* newspaper.

A few editorial offices have established some internal codes of conduct, but there is no widely accepted ethical standard in Tajikistan, and panelists said journalists often provide editors-in-chief a cut of the fee they receive for writing articles that amount to public relations for the source.

Self-censorship has become a deeply rooted practice. “At this point, this is one of the ways to survive,” said Lidia Isamova, director of the IWPR office in Tajikistan. Journalists are afraid of the authorities, the pressure that can be brought by prominent people, the risk of losing their jobs, and the potential of being condemned in the government press. For their part, owners and managers of media holdings fear that printing-press companies will refuse to publish their newspapers at any time.

Editors and journalists know the taboo topics: the president, the parliament, security bodies, narcotics trade and abuse, border issues, suicide, the oligarchs, and more. Certain restrictions apply when covering official issues and topics related to national security. As a rule, important events taking place in the country are more objectively and more rapidly covered by the international media. Many independent and local media reprint official information from sources such as foreign information agencies, including Russian media.

Masrur Abdulloyev, training coordinator at Internews in Tajikistan, noted: “Pay levels of journalists in Tajikistan are very low, especially at the government press.” Other panelists agreed. In many cases, journalists are attracted by higher wages at international outlets or nongovernmental organizations (NGOs). Salaries at government outlets may be \$5 to \$12 a month, while

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

at private outlets, salaries range from \$100 to \$300 per month. Salaries generally are somewhat higher at broadcast outlets. However, many journalists work at several jobs at the same time to increase their income.

Entertainment and news programming are not balanced. The daily newscasts on national television make up no more than 5 percent of the entire broadcasting schedule. The municipal television channels Poitakht and Somoniyon broadcast more entertainment programs and commercials. "In this situation there is a huge need for objective news, which is insufficient now," said Rano Bobojanova, an independent journalist and staff member at the Center for Gender Studies NGO. Lidia Isamova, director of IWPR in Tajikistan, recalled a major breakdown in the capital's sewer system during spring 2004: "This event was not covered by television for the whole day, and people did not know that they were drinking dirty water. Often there is no news on major events like when the water or natural-gas supply is cut off."

The dominance of entertainment programming results in part because outlets want to gain financial benefits and increase their broadcasting time by attracting more commercials. On the other hand, a shortage of news programming results from insufficient technical facilities and human resources. "The production of news is quite expensive. Poor technical facilities, a lack of telephone lines, a shortage of journalists, and transportation issues do not allow for the production of relevant news," said Kurbon Alamshoev, director of Pamir Mass Media Center.

The technical facilities and equipment at many regional radio stations leave much to be desired. Not all media outlets have enough computers, mobile phones, and modern recording equipment. Media also lack fax machines necessary to transmit information as well as the proper editing equipment. All these factors impede the gathering, production, and distribution of news. "In Gorno-Badakhshan they use equipment from the 1960s," said Kurbon Alamshoev. Nevertheless, some improvements are evident throughout the country. Thanks to technical support from international donors, 20 independent television and radio stations have received up-to-date equipment.

Journalism in Tajikistan has suffered from low-quality niche reporting. This is due to a shortage of creative personnel, a lack of professional training, and little opportunity for specialization. Panelists noted that this hurts the quality of the content. "A rare exception is the state oblast television station, which has specialization, and every journalist does his or her job," said Saidumron Saidov, journalist and chairman of the

Association of Professional Journalists in Sogd Oblast. International agencies such as Cimera, IWPR, IREX, and others conduct workshops contributing to the gradual development of niche reporting, mainly on social issues, at the local level.

Investigative reporting, however, is largely precluded by the many pressures on the media, as well as the lack of financial resources to support sustained reporting.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Tajikistan Objective Score: 1.80 / 4.00

There is a plurality of news sources in Tajikistan through newspapers, television, radio, and the Internet. Citizens have open access to local and international media, especially those who have satellite television and access to the Internet. At the same time, neither state nor independent media reflect the broad spectrum of political views in the country. Often news coverage is biased, especially when it is related to internal political issues. Some media in Tajikistan use information agencies, but independent television and radio stations produce few news programs, and these

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens' access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

often lack professionalism. On the rare occasions when issues of social concern are reported, this coverage stirs up considerable public interest. Media owners frequently influence the coverage in their outlets.

In Tajikistan, not everyone has equal access to the media available, and the problem is particularly acute for those living in rural and more remote areas. Only an estimated one-third of Tajikistanis can afford to buy local print media. "People with minimal salaries

"People with minimal salaries of 5 somoni per month (\$1.60) cannot afford to buy newspapers at a price that is equal to a loaf of bread," said Lidia Isamova.

of 5 somoni per month (\$1.60) cannot afford to buy newspapers at a price that is equal to a loaf of bread," said Lidia Isamova, director of IWPR in Tajikistan. "Pensioners and rural people

found a solution: They buy one newspaper for everyone." This year, the Organization for Security and Cooperation in Europe (OSCE) initiated posting newspapers on special boards set in public places around Dushanbe and Khujand, and these have become very popular.

The main source of information for rural citizens is television and radio, but even these sources can be limited due to an unreliable power supply. Internet access is a luxury for most Tajikistanis and is available in about a dozen cities. Rustam Buriev, director of Mavdji Ozod TV, also noted that "the authorities have direct and hidden ways of limiting access to information." For two years, there has been no access in Tajikistan to the opposition newspaper *Charogi Ruz* website and to the news site *Times Ru*, according to panelists.

Even the access to media common among urban populations does not equate to a wide range of information being available. The only widely accessible national television channel—which covers only 80 percent of the population—gives news priority to coverage of the activities of the president and his Cabinet. Local channels focus mostly on the activities of local authorities. Other electronic and state print media reflect the interests of government authorities. Most independent media also report on issues related to the president at the behest of the authorities. Due to the absence of daily newspapers, all of the print news in Tajikistan is dated when it becomes available.

Panelists believe that access to international media is not restricted. There is a wide selection of Russian

newspapers, although not everyone can afford them. For example, *Komsomolskaya Pravda* costs roughly \$1, but that price is equal to two-thirds of the minimum salary. Local television often re-broadcasts Russian channels and programming. Many people in the cities have satellite dishes that allow them to watch foreign television channels such as Euronews. Even though 84 percent of all Tajikistanis live below the poverty line, nearly every city house has a satellite dish. Radio stations broadcast Voice of America. Cable television is gradually reaching more villages and currently carries about a dozen stations, but so far very few can afford it.

Most panelists agreed that state media do not provide alternative viewpoints or include expert opinions when preparing news programs. Kurbon Alamshoev, director of the Pamir Mass Media Center, said, "Print media and radio and television programs do not reflect a broad spectrum of political views. State media reflect only the opinions of the government and the Peoples Democratic Party, leaving no space for the opposition." Most political parties by law have the right to publish newspapers, but not all can. The Peoples Democratic Party has *Tribuna Naroda*, and the Islamic Revival Party runs *Nadjot*.

Only a few independent media and international media projects prepare news according to international standards. As panelists reported, public media are not interested in producing educational and cultural programs. This void is often filled by NGOs that provide media with such programming.

Currently there are five information agencies, of which one is state-owned. Agencies are in high demand by the print media, whereas broadcast media seek official news only. The panelists disagreed about subscription fees. Most believe that they are too high, especially for local media, while some thought that any media outlet should be able to afford \$20 per month for an electronic version. Panelists agreed that the existing agencies are not adequate, and therefore media outlets reprint information from Russian and foreign news agencies. This is particularly true in the Sogd oblast, which has only one news agency.

There are not enough independent news programs produced by Tajikistani media. This is because most outlets use outdated equipment, are limited by the professional inadequacies of their staff, and have poor access to information. Saidumron Saidov, chairman of the Association of Professional Journalists of the Sogd oblast, stated: "Programs produced by independent media are much more interesting, whereas government electronic media work by old Soviet standards and only

praise government authorities.” There is use of material from CNN, Russian TV, and state television news to produce programs.

Information regarding media ownership is open to the public but is not transparent. It is well known that four large media holdings—*Charkhi Gardun*, *Tojikiston* and *Asia Plus* in Dushanbe, and *Varorud* in Khujand—are owned by former journalists. It is not a secret that the founders of some electronic media such as Radio SM-1 in Khujand and Radio Asia in Dushanbe are businessmen. However, media owners hide information regarding their holdings, information on the number of copies printed, and corporate income.

Tajikistani media pay attention to ethnic minorities, in part with the support of international organizations. Minority-language publications are allowed in accordance with the law. Newspapers are printed in Russian and Uzbek, and most electronic media in the Sogd oblast are published in Russian. A Kyrgyz-language newspaper is published in the Gorno-Badakhshan and Murgab rayons, and one page of the Badakhshan newspaper is published in Russian for Russian border guards.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

OBJECTIVE 4: BUSINESS MANAGEMENT

Tajikistan Objective Score: 1.30 / 4.00

The business development of independent media in Tajikistan is hindered by the weak economy, outdated equipment, an underdeveloped advertising market, inefficient distribution channels, and the lack of market research that would enhance the quality of media content and attract advertising. At the same time, the state exerts its control over independent media. These factors combined in 2004 to make the situation almost impossible for managers of independent media outlets.

Printing presses in Tajikistan are considered profitable, as there is little competition in this market. A new printer, Polygraphgroup, was established in Tajikistan during 2004 with state-of-the-art equipment, but the state’s Sharki Ozod press still dominates. Most publishers are forced to look for lower prices over higher quality and use printers whose presses are outdated. “There are no private printing houses in Tajikistan that could be independent from government pressure,” said Masrur Abdulloev from Internews. There have been cases in which printing houses have refused to print private newspapers, as was the case with *Ruzi Nav* and *Nerui Sukhan*.

In late 2004, the bureaucracy faced by media managers got even more complicated. “Printing houses would not print anything without special permits issued by the Committee on State Secrets or from the State Standard Agency. Sometimes the local Hukumat of a city or a region’s local authorities would have to approve,” said Rano Bobodjanova, an independent journalist and member of the NGO Center of Gender Research. “This allows the government enough control to censor print media.”

Distribution networks deteriorated during 2004. Well-used state-run sales kiosks were moved by order of the mayor from the center of Dushanbe to the outskirts, although the reasoning for this change was not known by the MSI

Rano Bobodjanova, an independent journalist and member of the Center of Gender Research, said, “There are certain cases of conducting professional research, but not on a regular basis, since they are supported by international organizations. Media outlets need reliable market analyses for the development of fair competition.”

panelists. This move significantly reduced the number of potential buyers and forced private media outlets to rely on state-run distributors.

Print media generate revenue from commercial advertising and grants from international organizations, decreasing print runs to conserve resources as necessary. There is intense competition for advertising clients, most of which are international organizations that can guarantee payment. It is more difficult to attract small businesses as advertisers, and there are very few larger local businesses that could buy ads domestically. In addition, businessmen are afraid that newspaper ads will attract the tax authorities. Furthermore, not all potential advertisers realize the effectiveness of their ads because of the lack of market research.

Nevertheless, some print outlets have attracted reasonable income from advertising and have expanded their advertising space. For example, *Asia Plus* in Dushanbe has become a leader in the information market and now attracts the lion's share of advertising revenue.

Overall, print media are far ahead of electronic media in terms of advertising. Television stations get income from selling personal greetings and video services, as well as grants from international organizations. According to the law, advertising should not make up more than 10 percent of each hour.

The advertising market is developed in Dushanbe and Khujand only. There are few production services that produce and promote advertising, and few professionals in the field. *Asia Plus* is one of the few outlets to have its own advertising agency. As a result, there are almost no locally produced ads in Tajik, and most ads are of Russian or Ukrainian origin; some of them are translated into Tajik.

Subscriptions in Tajikistan are a source of income only for state-owned print media, and this is because people are forced to subscribe. Government support to media has occurred in the south of Tajikistan to stem the flow of information from northern Uzbekistan.

To date, no serious market research has been done. Rano Bobodjanova, an independent journalist and member of the Center of Gender Research, said, "There are certain cases of conducting professional research, but not on a regular basis, since they are supported by international organizations. Media outlets need reliable market analyses for the development of fair competition."

There are no organizations that determine broadcast ratings or identify reliable circulation figures, with

the exception of the Center of Sociological Research Zerkalo, supported by the Ebert Foundation. However, the results of this research have not been popular, and media outlets often disagree with the data. Some newspapers attempted to conduct rating surveys themselves, but the data were far from reliable and also criticized. The independent newspaper *Sur* conducts weekly ratings of certain state-owned and independent media, but outlets and advertisers ignore their results.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Tajikistan Objective Score: 1.50 / 4.00

Media-support institutions are not highly developed. Those that exist generally provide advisory services and training but do not offer journalists protection of any kind. Educational programs at the journalism faculties need serious improvement, with the gap only partially filled by international organizations and NGOs. Newsprint distributors and printing facilities are considered independent, but in fact they are controlled by state-owned media. The media-distribution channels are not well coordinated and have been used as political tools.

Several associations such as the National Association of Independent Media (NANSMIT), the Association of

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Journalists of Tajikistan (AJT), the Union of Tajik Journalists (UTJ), the Association of Professional Journalists in the Sogd Oblast, and the Tajik Association of Independent Electronic Media (TAJANESMI) aim to protect journalists' rights. Most panelists considered their work to be insufficient. The organizations generally do not lobby the government in the interests of their members, as they lack the authority to do so. Several attempts to protect journalists during the past three years by sending appeals to the authorities have yielded no results. Some supporting organizations are ineffective because their leadership has remained the same for years. The Union of Journalists, for example, is barely visible. It has lost the ability to organize its members and, panelists said, does not want to change to meet the new needs of Tajik journalists.

NANSMIT attempts to protect journalists through monitoring and providing counsel, but panelists noted that journalists have few rights. "We have many cases in which print journalists work without contracts and are often subject to publishers' despotism. This can leave journalists without pay, or they can be fired with no explanation," said Lidia Isamova, director of IWPR in Tajikistan. Rano Babojanova, an independent journalist and member of the Center of Gender Research, told the panel: "Rajabi Mirzo, chief editor of *Ruzi Nav* newspaper, was beaten up. Farruh Ahrorov, journalist at *Leninabad Pravda*, was fired in 2004. But in both cases no explanation followed."

There are about 15 NGOs working on free speech and media support. The Pamir Mass Media Center, supported by IREX, is among the regional NGOs that provide journalists with free Internet access, training, and other services. The Institute for War and Peace Reporting (IWPR) and CIMERA provide training and work on media-law reform.

The journalism faculties at the state and private universities are not providing very high-quality training, the panel members said. Lidia Isamova attributed this to "a lack of high-quality practical training in accordance with international standards...The fact that most professors were trained in the old Soviet school of journalism just adds to the problem. Overall, Tajikistani media professionals are not pleased with [the] level of

journalism training of these graduates."

Only the elite and wealthy can afford an education abroad, and this option is further limited by the need to speak a foreign language. Those who study abroad rarely return to find work at an appropriate pay scale. Even graduates of local universities are reluctant to work in the media because of the low salaries. Panelists said that more than 80 percent of journalism-faculty graduates do not work in their field.

"We have many cases in which print journalists work without contracts and are often subject to publishers' despotism. This can leave journalists without pay, or they can be fired with no explanation," said Lidia Isamova.

At the same time, journalists have opportunities to improve their skills through short-term trainings or retraining programs organized by international organizations and NGOs such as Internews, OSCE, IREX, the Soros Foundation, IWPR, the School of 21st Century Journalism established by Asia Plus, NANSMIT, CIMERA, and other popular groups. However, not all media managers encourage their staff to improve their qualifications, or let them take the time to attend training workshops.

All but one printing house, Polygraphgroup, depend on government funding. Other private printers such as Jienhon were shut down and forced into bankruptcy for printing opposition newspapers. As a rule, all printing houses favor state-owned newspapers. Government and private newspapers are sold exclusively through kiosks and street vendors since the inefficient postal service makes subscriptions useless. In some rayons, there are no newspapers at all. "The only newspaper kiosk in Khorog was recently sold to a businessman, and now people do not know where to get papers," said Kurbon Alamshoev, director of Pamir Mass Media Center. It is rare that newspapers from the capital are sold in the rural regions, or vice versa.

The Ministry of Communications controls the issuing of licenses and the frequencies of radio and television transmitters. The state can control the Internet by technical means. "I am well aware of the fact that messages sent or received through a local provider can be intercepted," said Lidia Isamova, director of IWPR in Tajikistan.

Panel Participants

Saidumron Saidov, chairman, Association of professional journalists of Sogd oblast, Khujand

Masur Abdulloev, Internews training coordinator, Tajikistan

Rustam Buriev, director, Mavdji Ozod TV, Vose rayon

Makhmadali Bakhtierov, executive secretary of *Paemi Rushon* newspaper, Khorog

Lidia Isamova, director, Institute for War and Peace Reporting (IWPR) in Tajikistan, Dushanbe

Kurbon Alamshoev, director, Pamir Mass Media Center, Gorno-Badakhshan autonomous oblast

Tuhva Akhmadova, journalist, independent weekly newspaper *Charkhi Gardun*; member, NGO Press Center Gamkhori, Khatlon oblast, Kurgan Tyube town

Rano Bobodjanova, independent journalist, member, NGO Center of Gender Research, Khujand

Moderator

Elena Buldakova, Bishkek, Kyrgyzstan

Observer

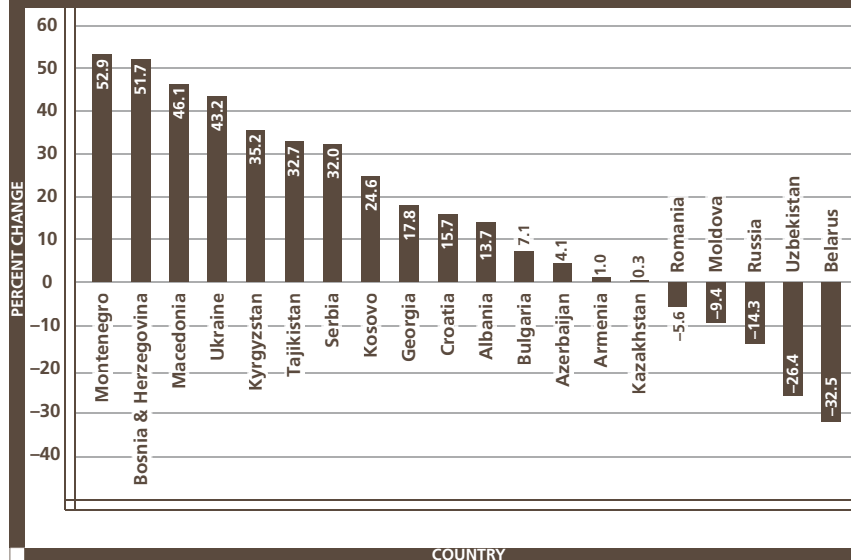
Abdurakhim Mukhidov, USAID project, Tajikistan

TAJIKISTAN AT A GLANCE

GENERAL (data from CIA World Factbook)

- **Population:** 7,011,556 (est. July 2004)
- **Capital city:** Dushanbe
- **Ethnic groups (% of population):** Tajiks 64.9%, Uzbeks 25%, Russians 3.5% (declining because of emigration), other 6.6%
- **Religions (% of population):** Sunni Muslim 85%, Shi'a Muslim 5%, other 10% (est. 2003)
- **Languages (% of population):** Tajik is the state language of the republic. Russian remains the language of interethnic communication in northern, central, and southwestern regions of the country.
- **GDP:** purchasing power parity: US\$6.812 billion (est. 2003)
- **Literacy level (% of population)** 92%
- **President or top authority:** President Emomali Rakhmonov
- **Next scheduled elections:** Parliamentary 2005, presidential November 2006

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004

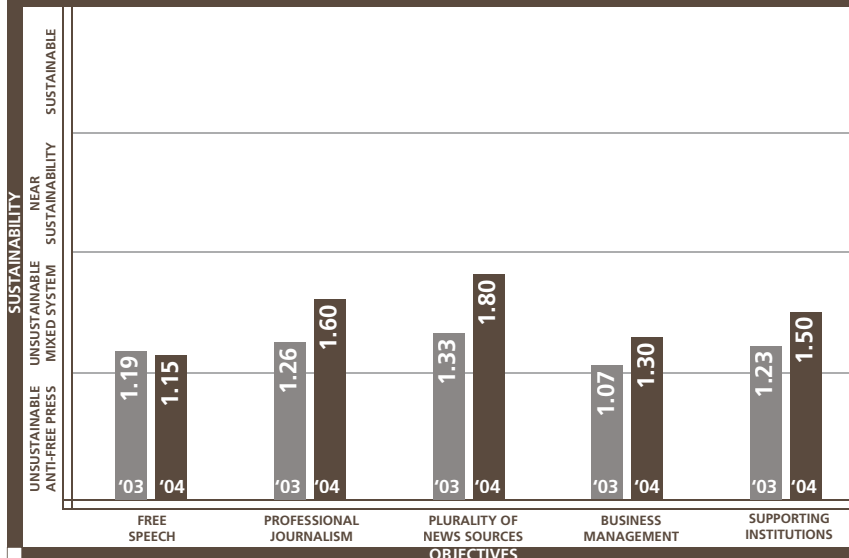


MEDIA-SPECIFIC:

- **Existing newspapers:** There are 270 registered print media. The largest are *Asia Plus*, *Tochikiston*, *Nerui Sukhan*, and *Vecherniy Dushanbe*.
- **Broadcast ratings:** The most popular in Dushanbe are Radio Vatan, *Asia Plus*, SM-1, and Tiroz in Hudjent.
- **Number of print outlets, radio stations, television stations:** There are about 20 print outlets, more than 20 television stations, and seven radio stations.

- **Number of Internet users:** Approximately 10% of the population uses the Internet.
- **Names of news agencies:** *Asia Plus*, *Mison*, State Information Agency Hobar, Varorud, *Avesta*

MEDIA SUSTAINABILITY INDEX: TAJIKISTAN



THE 2004 MEDIA SUSTAINABILITY INDEX (MSI) PANEL CONCLUDED THAT THERE WERE VIRTUALLY NO INDEPENDENT MEDIA IN UZBEKISTAN, WITH AN UNOFFICIAL BAN ON REGISTERING OUTLETS THAT MIGHT OFFER NEWS OR INFORMATION NOT FOLLOWING THE GOVERNMENT LINE.



U

zbekistan, the most populous of the Central Asian republics with 26 million citizens, has only the appearance of a democratic state. There is a parliament, reformed as bicameral in December 2004, along with several political parties, a constitutional court, and mass media. But in reality, power is highly concentrated: President Islam

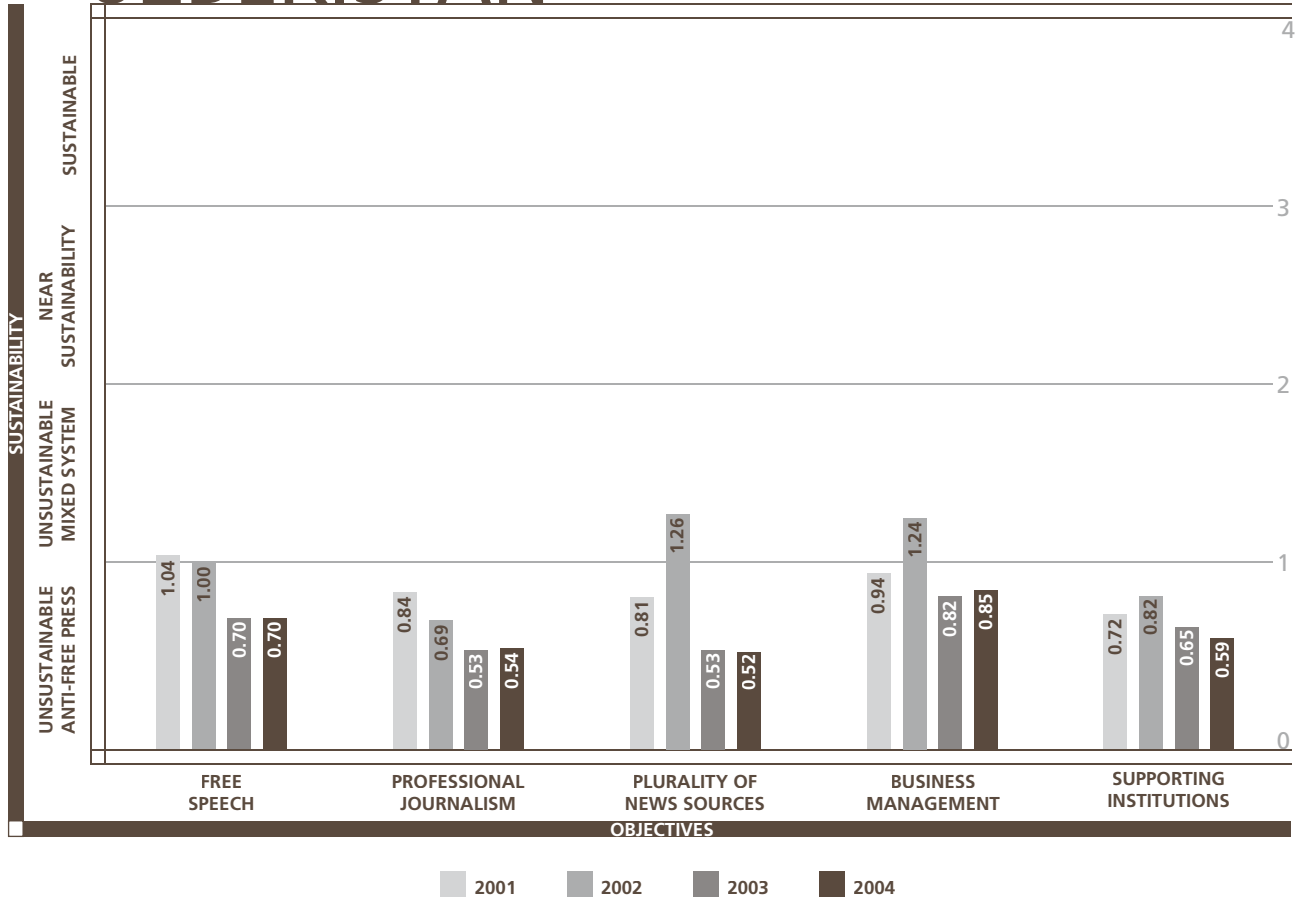
Karimov personally appoints officials from the rank of ministers down to the heads of the regional oblast administrations known as hokims. Political parties follow the same scenario, with five official parties established at the initiative of the president. Almost all sectors of the economy have been “privatized” by clans allied with the president. All the largest businesses belong to ranking officials and are subject to the direct oversight of the president. Travel restrictions, including with some neighboring countries, and a prohibitive levy on consumer goods imported by private entrepreneurs limit both investment and the growth of smaller businesses.

It appears the president aims to stay in power for as long as possible, and wants every government agency and the media to help. The 2004 Media Sustainability Index (MSI) panel concluded that there were virtually no independent media in Uzbekistan, with an unofficial ban on registering outlets that might offer news or information not following the government line. Media, both state and private, serve government interests and exist in an environment of multilayered censorship and self-censorship. Despite the provision of the mass media law banning censorship, which is reinforced by the Constitution, the government strictly controls all information products.

With no professional standards supporting the media’s role in providing audiences with interesting and credible information, government newspapers are not popular and maintain their print run only by the mandatory subscriptions required of government organizations and agencies. The list of prohibited subjects is long, with border issues, child labor at cotton plantations, and migration just a sampling. Media can do little more than proclaim “Uzbekistan as a country with a great future.” As a result, journalists have few tools and little motivation to do better, and the public has lost interest in the media as a source of information,

MEDIA SUSTAINABILITY INDEX

UZBEKISTAN



Unsustainable, Anti-Free Press (0-1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

increasingly turning to the sensationalized “yellow” press and entertainment programs. Only the Internet holds promise, with electronic editions offering some diversity of opinions and more objective information.

The 2004 MSI panel ranked Uzbekistan, with Belarus, as the countries with the least independent media among those assessed in Europe and Eurasia.

OBJECTIVE 1: FREE SPEECH

Uzbekistan Objective Score: 0.70 / 4.00

Uzbekistan’s legal and social provisions should promote freedom of expression, but in practice the media are under strict control. The issuing and recall of licenses is completely politicized, determined only by whether a media outlet is providing information in support of the government. Crimes against journalists are not frequent or systematic, but this does not mean that journalists are well protected. Authorities pressure and intimidate journalists in ways that are more subtle or more difficult to prove, including selecting only journalists

Legal and social norms protect and promote free speech and access to public information.

FREE-SPEECH INDICATORS:

- > Legal/social protections of free speech exist and are enforced.
- > Licensing of broadcast media is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
- > Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
- > Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
- > Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
- > Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

who have proven they are loyal to the authorities to attend briefings and press conferences.

The Constitution guarantees freedom of speech and press, and does not preclude establishment of independent media. Laws exist on mass media, protection of the professional activities of journalists, copyright, freedom of information, and related topics. But not only do the protections meeting international standards not work in practice, but they also are openly violated by the authorities. In addition, elements of the statutes limit the media. For example, the Law on Principles and Guarantees of Freedom of Information requires journalists to have the subject of their article approved. Although censorship has been abolished officially, Alisher Taksanov, a journalist from the *Times of Central Asia* in Tashkent, said provisions in the media law “set the legal basis for censorship by (media outlet) founders, and they use it.”

Theoretically, laws that do not conform to the Constitution and that violate the freedom of speech can be appealed to the constitutional court. In practice, however, appeals are not effective since the judges are appointed by the president. “The laws that are aimed at democratic development are not implemented

“The laws that are aimed at democratic development are not implemented due to the political will of the authorities, the interests of officials, and the attitudes of journalists and readers,” said Alo Khodjaev.

due to the political will of the authorities, the interests of officials, and the attitudes of journalists and readers,” said Alo Khodjaev, chief editor of the Tribuna website. “Therefore, legal norms and international standards are not complied with, and open expressions of protest are rare.” The Uzbek government also avoids the provisions of international treaties related to freedom of speech.

Some efforts to monitor free-speech violations are undertaken in conjunction with international media-support organizations, and Karim Bakhriev, deputy director of Internews in Uzbekistan, said 70 to 80 such infringements are identified monthly. “But the authorities try to ignore such data and suppress those who provide it. Information on the monitoring results posted on the organizations’ websites is blocked by the government, and the public has no access to it,” Bakhriev said. Corruption within the court system

makes challenging these violations very difficult, although journalists have won some suits.

The process of issuing broadcast licenses is not transparent. Licensing is in the hands of an interagency coordination commission comprised of representatives of the Uzbek Agency on Communication and Information, the Ministry of the Interior, the Council on National Security, the Press Agency, and one journalist.

"If necessary, the authorities can fire any journalist by accusing them of failing to meet professional standards," Alo Khodjaev said.

The process is thoroughly controlled by the government. Licenses are valid for only one year, and companies often start preparing for the next licensing process

immediately after obtaining a new permit. "This is the best way to keep people under constant control," said Taksanov. "When considering licensing documents, the members of the licensing committee always request security services to provide dossiers of people who have worked for or founded media outlets in order to approve candidates for editors. Only after this step do they decide on issuing a license, thus assuring the political loyalty of the participants."

Most of the television and radio stations experience problems during the licensing process. Tamara Prokopieva, director of Orbita TV in Angren, said her station paid approximately \$2,000 for a license in August but still did not have it by the end of the year. "A falsified document notified us of our failure to inspect metrological equipment, and the licensing process was suspended," she said. "Our transmitter was closed twice with no explanation from the Uzbekistani communications agency. People then began to help us defend ourselves by sending notes to the prime minister's office requesting the restoration of our broadcasting."

In terms of tax law, media have some preferential status compared with other businesses. For example, media do not pay the value-added tax (VAT), and the advertising tax is only 15 percent.

Libel is a criminal offense, and the criminal code has a provision concerning insult of the president. However, there are only a few examples of criminal cases, and most prosecutions of the media are according to the civil code. The panelists stated that government officials never bear responsibility for their actions to the public, as they report only to the president. However, Inera Safargaliyeva, chief editor of the Arena website, said:

"There are cases when journalists win lawsuits, and the number of successful lawsuits is increasing."

Crimes committed against journalists are not always punishable under the law because they are often perpetrated by the government. "Mostly these crimes are threats, harassment, and condemnation at official meetings and in official media," Khodjaev said. "I had to resign from the post of chief editor at Radio Grand after our founder was denied a license because of me. The government knowingly and cunningly uses all methods of oppressing the free press. Journalists are vulnerable, and there is no corporate solidarity."

Getting information is difficult for journalists. Tamara Prokopieva, director of Orbita TV in Angren, said, "Often ministries, agencies, and other government structures refer to the need to obtain clearance from higher government bodies. This is a waste of time, since eventually information becomes outdated. Information on the state budget or harvest is not available even for government media." Khodjaev said he was invited to the Foreign Affairs Ministry and interrogated about the source of information on salaries of diplomats that was published on his website. "They thought this information was not subject to disclosure," he said.

The MSI panelists said the government has tried to keep journalists silent about several specific issues, including the shutting down of the Open Society Institute in Uzbekistan and the decision by the European Bank for Reconstruction and Development, one of the largest investors in the country, to cease cooperation with the Uzbekistani leadership. Media regard elections as a partly closed topic, as evidenced during the December polling. According to the panelists, only 30 percent of Uzbekistanis turned out for the elections, but the government press reported 100 percent turnout.

Government media have more access to information, although they also have difficulties. Toshpulat Rakhmatullayev, a journalist and chairman of the Samarkand branch of the National Press Center of Uzbekistan, said: "Only government journalists are invited to the official events, while private media and Internet journalists are often left out." The Ministry of Foreign Affairs, for example, selects only government journalists to attend its press conferences. Press secretaries at government ministries and agencies serve instead as "secret keepers."

"Media editors and staff depend on the authorities," said Khodjaev. "Often editors from party newspapers are appointed by the president's administration. Businessmen influence only the media that they own."

Large businesses do not have a balancing influence on government policy since they are mostly owned by government officials. Political parties are weak and only wield influence over small newspapers.”

Foreign programming is not restricted—so long as it conforms to the interests of the government. Entertainment shows are rebroadcast from Russian TV, which is preferred to local television by an overwhelming percentage of Uzbeks, but no politically oriented programs except for the “Vremya” news are aired in Uzbekistan. News from the neighboring republics is prohibited, and only a few media outlets will publish such information.

The only thing the authorities cannot restrict is Internet access, but sites that publish news about Uzbekistan often are blocked by Internet service providers at the government’s request, according to panel members. IREX and several other international organizations provide Internet access in almost all oblasts, but many journalists do not have the funds to make regular use of the Internet at work.

There are no restrictions on enrolling at university journalism programs or applying for media jobs. However, journalists without government accreditation can face problems gaining access to news conferences or official events. “If necessary, the authorities can fire any journalist by accusing them of failing to meet professional standards,” Khodjaev said. However, loyal journalists enjoy certain privileges such as international travel, awards, and even the chance to run for parliament.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Uzbekistan Objective Score: 0.54 / 4.00

Media in Uzbekistan are not capable of promoting public discussion or assessing the policies and actions of the government. The poor professionalism among journalists results from both the lack of opportunity for journalists to gain and practice skills and the government’s control over information, according to the 2004 MSI panelists. There is no widely accepted ethics code, and media are filled with paid-for news articles and programming. On television, entertainment programs overshadow news programs, which must be cleared by the government. Further limiting the ability of journalists to inform citizens is the list of prohibited topics, the lack of specialized skills among reporters, and the out-of-date equipment at media outlets.

Verification of information is rare, too often sources

Journalism meets professional standards of quality.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exists (investigative, economics/business, local, political).

are not identified, and journalists’ opinions fill up news columns. Marfua Toktakhodjaeva, director of the Women’s Resource Center, gave the following assessment of journalists’ work: “There is no such thing as a plurality of opinions, alternative viewpoints, information on opposition members, or any viewpoint except the official one on domestic events, the economy, and so on. The government monopolizes commentary on all important political events.”

Including alternative viewpoints is always risky in Uzbekistani media, and only a few representatives of the foreign media and in some cases local television companies do work that approaches international standards regarding objectivity.

“The public is not interested in serious events because of the one-sided presentation of the official viewpoint. There is one news program for every 10 entertainment shows at FM radio stations,” said Alisher Taksanov.

In 2004, the National Association of Electronic Media (NAESMI) approved an ethics code for broadcast journalists, but the MSI panelists said its benefits could not be seen. The Samarkand Press Center

established its standards for journalists, and the Central Asia Media Support Center helped two newspapers, *Darakchi* in Tashkent and *Ikbol* in Andijan, draft their own documents. But violations of ethical norms are widespread. "Paid-for articles are published everywhere, and most journalists and media professionals accept gifts," said Alo Khodjaev, chief editor of the Tribuna website. "Management does nothing to stop it." Government agencies use their own tools to keep journalists in their pocket, including

Marfua Toktakhodjaeva, director of the Women's Resource Center, gave the following assessment of journalists' work: "There is no such thing as a plurality of opinions, alternative viewpoints, information on opposition members, or any viewpoint except the official one on domestic events, the economy...The government monopolizes commentary on all important political events."

payments and opportunities to travel abroad.

Journalists are accustomed to fearing the authorities, and know they have few resources to protect themselves. Despite the official prohibition of censorship in 2002, self-censorship has become a way of self-preservation for editors and journalists. The Soviet-style censorship

structures were replaced by new ones in the form of "monitoring sections" that work for the government. The only difference is that censorship now is done after the fact: The editor can be fired for insufficient censorship. Most censorship is politically based, according to the MSI panel. Inera Safargaliyeva, chief editor of the Arena website, described one case: "A journalist's request to write an article about the well-known astronaut Salijan Sharipov, an ethnic Uzbek, was denied by the editor only because Sharipov is a Russian officer, and publication of the story could cause 'unpredictable' consequences."

Censorship in Uzbekistan extends to specific words, which cannot be mentioned or discussed, according to the MSI panel. Uzbekistani journalists are not free to cover corruption, or abuse of power in government ministries or the military. There are some unofficial limits on information that can be published on foreign debt and national currency reserves, as well as on neighboring Central Asian countries. Certain words are virtually prohibited, including ones meaning terrorist,

slavery, dictatorship, corruption, and poverty—except as they relate to other countries. Local and international security issues can be covered, as long as the coverage mirrors the official viewpoint.

Election coverage also faces limits. Aisulu Kurbanova, chief editor of Zamon.info in Tashkent, said that after publishing "information from an official source about the cost of elections in Uzbekistan, the existence of our newspaper was threatened. We have managed to keep our rights, but with great difficulty." At times, local media and Internet-based publications may have somewhat more latitude in coverage, according to one MSI panelist. Tamara Prokopieva, director of TV Orbita in Angren, said: "We publish information about protests against government policy, and there is no pressure from the authorities. For example, we may publish an article on why Angren businessmen disagree with a government decree."

Low salaries and low morale for journalists mean that many accept additional "rewards" for their work on written-to-order articles praising various companies. The average salary at a local media outlet is \$10 to \$15 per month. Journalists working on oblast media earn \$20 to \$25, and in the cities wages range from \$40 to \$120. Wages are generally higher at "yellow" press outlets. Staff turnover is high, and experienced journalists often start working as press secretaries or leave the country. Journalists may work multiple jobs to make ends meet.

Entertainment articles and programming dominate the media market. Alisher Taksanov, a journalist at the *Times of Central Asia*, said, "Entertainment programs constitute at least 70 percent of the total volume. The public is not interested in serious events because of the one-sided presentation of the official viewpoint. There is one news program for every 10 entertainment shows at FM radio stations." Uzbekistani media law does not dictate the balance between entertainment and news programming.

The technical capacity of the media, especially at the local level, could hardly be worse. Computers, photo equipment, recording equipment, and television cameras all are in short supply, even at state media. Panelists noted that there are few pictures in the media, and often newspapers use photographs taken from other sources. Regional printing presses use out-of-date equipment, and most local media travel long distances to find better printing facilities. Many outlets cannot afford to import equipment due to the high customs duties and only get good equipment when it is purchased through grants. Journalists also lack the means to transmit information in a timely manner

because few have cellular phones, often they have no transportation, and their old tape recorders do not allow for live transmission of reports.

There is little specialization of coverage due to personnel shortages, costs, and lack of skills.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Uzbekistan Objective Score: 0.52 / 4.00

Despite Uzbekistan’s economic woes, there has been an increase in the number of registered media outlets, from 412 14 years ago to 800 four years ago to 964 in 2004. However, this media growth in both Uzbek and Russian languages does not translate into a better-informed public. Not only are news sources unaffordable for many, but distribution does not reach remote rural locations and both state and private media are too tightly controlled by the government to fully inform their audiences.

In particular, information is less available to rural citizens who comprise a majority of the population. A major source of information is state television and radio. However, the number of television and radio

transmitters continues to decrease because of wear and tear and the lack of programs to replace them. Only 2 percent of the population can afford private print media, according to estimates by MSI panelists. Marfua Toktakhodjaeva, director of the Women’s Resource Center, said, “The lack of information feeds rumors and fears,” with local bazaars serving as more vibrant sources of information than the formal media.

There are no legal constraints on access to foreign media, but access is limited by government attempts to use whatever tools it can to set up an electronic “iron curtain.” In 2004, Uzbekistan allowed the distribution of only two Russian newspapers, *Trud* and *Argumenty i Fakty*. Customs officials limit import of foreign publications, as does the Ministry of Culture. There is a list of newspapers that cannot be imported to or distributed in Uzbekistan. Internet sites carrying information about Uzbekistan are blocked at times, and retransmission of some channels is prohibited.

Marfua Toktakhodjaeva, director of the Women’s Resource Center, said, “The lack of information feeds rumors and fears,” with local bazaars serving as more vibrant sources of information than the formal media.

Information agencies are shut down, and this year the office of the international media training organization Institute for War and Peace Reporting (IWPR) was closed. “One may not publish materials from the blacklisted Russian and foreign media or even refer to them,” said Inera Safargaliyeva, chief editor of the Arena website. These sources include the BBC, Reuters, Deutsche Welle, Agence France-Presse, IWPR, Centrasia, and Ozod Ovoz. In November 2004, the Moscow-based channel, TVS, quietly disappeared from most of the private cable television packages.

Rural residents, representing 60 to 80 percent of the population, receive their information mostly by radio. Many foreign stations are available on shortwave only, making Soviet-era radios very popular in rural regions where they provide access to Deutsche Welle, BBC, Russian Freedom Radio, and the Voice of Iran. Cable television companies are unwilling to extend their networks into outlying areas because the copper cables can be stolen, and the potential market is too poor.

There are no media allied with the unregistered opposition parties, including Erk, Birlik, Ozod

Multiple news sources provide citizens with reliable and objective news.

PLURALITY OF NEWS SOURCES INDICATORS:

- > A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
- > Citizens’ access to domestic or international media is not restricted.
- > State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for print and broadcast media.
- > Independent broadcast media produce their own news programs.
- > Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources.

Dehkanlar, and the Agrarian party. Virtually all private media also report from the government perspective. Inera Safargaliyeva, chief editor of the Arena site, said: "The government controls 51 percent of media. If we include media founded by commercial organizations that are also controlled by the state, this adds another 25 percent."

During 2004, bombings in the capital and parliamentary elections highlighted the effectiveness of efforts to suppress alternative viewpoints. However, there has

Inera Safargaliyeva, chief editor of the Arena site, said: "The government controls 51 percent of media. If we include media founded by commercial organizations that are also controlled by the state, this adds another 25 percent."

been a rapid increase in the number of news and analytical websites that post news and commentary about Uzbekistan, with the number reaching about 30 by the end of 2004. "Printed pages of websites are highly popular, especially

during political campaigns," said Tamara Prokopieva, director of TV Orbita.

The staff and editors at the four news agencies—Uzbek Agency, Turkeston Press, Jahon (part of the Ministry of Foreign Affairs), and Karakalpak Agency—are under the strict control of the authorities. For example, at the Turkson Press information agency, the government owns a controlling share and the chief editor and other top officials are government appointees.

About half the television and radio stations produce their own news programs but are subject to questionable standards. Karim Bakhriev, deputy director of Internews in Uzbekistan, said, "News presented by state media is nothing but propaganda. For example, the program "Akhborot" covers government initiatives only. News programs by private companies must be cleared by the founders as well." Often these news programs are paid for, since this is the only way for editors to make money.

A long list of topics such as the HIV/AIDS epidemic and the environment are to be covered within certain boundaries. For example, it is generally prohibited to report on the low wages (less than \$20 per month) of schoolteachers, corruption at universities, delays in payment of salaries and pensions, and the dependence of the cotton industry on child labor. Discussion of the

controversial transition from a Cyrillic to Latin alphabet was largely absent.

The law allows for publishing minority-language media, but such newspapers have small circulation numbers and are distributed within the specific communities only. Several million Tajiks live in Uzbekistan, but the main Tajik newspaper, *Voice of Tajik*, publishes only 22,000 copies. The other, *Voice of Samarkand*, produces only a few thousand. No minority media have the ability to properly address problems such as education or cultural preservation, and such coverage could lead to conflict with the authorities. For the most part, journalists are left to praise the conditions for ethnic minorities in the country.

OBJECTIVE 4: BUSINESS MANAGEMENT

Uzbekistan Objective Score: 0.85 / 4.00

There is no economic environment to foster the development of independent media businesses. Raising social and political issues is dangerous and unprofitable, whereas producing entertaining sensationalism is a better commercial bet. Overall, however, the advertising market is weak, and even government subsidies are low. Market research is only just starting, with few experts to carry it out and a high price tag attached to the results.

Independent media are well-managed businesses, allowing editorial independence.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets.
- > Independent media do not receive government subsidies.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
- > Broadcast ratings and circulation figures are reliably and independently produced.

The printing industry is more developed than the media, with more than 900 printers in the country, all owned or controlled by the state but many of them not very modern. Alo Khodjaev, chief editor of the Tribuna website, explained, "Printing houses and distribution networks are efficient, but they pursue their own interests and not those of the media industry. I would say they practice a selective approach to printing."

Income for media comes from subsidies from founders, advertising revenues, grants from international organizations, and corporate sponsorship. Government newspapers are perhaps 80 percent reliant on subsidies, with only 20 percent of their income coming from advertising and circulation, according to MSI panel estimates. For commercial media, the ratio is in the range of 70 percent circulation and 30 percent advertising. However, these variations are not reflected in the quality of the publications because the outlets are so heavily controlled by the government regardless of their status as private or state owned, panelists said.

The advertising market is weak, especially in rural areas. There are several large advertising agencies owned by media-company owners who dictate where the advertising is placed. The newspapers *Trud*, *Tasvir*, *Optovik*, and *Prestige* have the largest agencies supplying them with ads. There are few successful businesses to advertise, however, and owners are afraid to attract the attention of tax officials by marketing their companies. Even in such a limited market, advertising may be refused for fear of official disapproval. Taksanov described how Avialeasing wanted to publish an article about aviation, but was refused because it competes with the state-owned airlines.

Only the sensationalist media are profitable, with higher circulation numbers resulting in more advertising revenue. The weekly *Darakchi* was offered as an example, selling 250,000 copies compared with the 50,000 circulated by *Khalk Suzi*, which is published by the parliament and the Cabinet.

Market research is very limited, is conducted spontaneously, and does not constitute part of a strategic plan, MSI panel members said. It is costly, and there is a shortage of trained professionals. In 2004, Internews conducted market research for the first time, rating nongovernmental companies in seven cities. Tamara Prokopieva, director of TV Orbita, said, "The results of this research allowed companies to evaluate the public interest on a variety of programs." There are no companies that can track the circulation of print media. State oblast newspapers hide their low circulation numbers to keep what advertisers they have from moving elsewhere.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Uzbekistan Objective Score: 0.59 / 4.00

A few formal professional organizations were created not to support the media but to promote government propaganda. Media interests are better protected by nongovernmental organizations (NGOs), but these often have uncertain status. NAESMI was founded in 2004 and unites roughly 50 nongovernmental television and radio stations. Government appointees created the Creative Union of Journalists in 2004. The MSI panelists said these organizations were created by the authorities to hinder the rights and interests of non-state media.

In 2004, there was not a single case when these organizations protected journalists' rights. Tamara Prokopieva, director of TV Orbita, said, "For example, instead of protecting media interests by solving their problems and representing their interests within the government, the director of NAESMI is establishing a commercial organization that will create a television network." Journalists are forced to join NAESMI and the Creative Union of Journalists through various tactics, including the threat of withholding licenses, according to Alisher Taksanov, a journalist at the *Times of Central Asia*.

Supporting institutions function in the professional interests of independent media.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of private media owners and provide member services.
- > Professional associations work to protect journalists' rights.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs that provide substantial practical experience exist.
- > Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
- > Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

A number of organizations, including the Committee for Freedom of Speech and Expression, the Union of Independent Journalists of Uzbekistan, Ozod Ovoz (Free Voice), and the Committee for the Protection of Rights and Freedoms of Journalists, were established by journalists. However, they are often unable to register officially. In 2004, the Committee for Freedom of Speech and Expression published articles on its website detailing infringement of journalists' rights and violations of freedom of speech.

NGOs that support journalists carry out their work in extremely difficult conditions and under constant government scrutiny. Karim Bakhriev, deputy director of Internews in Uzbekistan, noted that a court decision suspended his organization's activities for six months. The International Center for Journalists also faced

problems when trying to offer media training. However, these and other groups do manage to offer media workers some opportunities for professional development. IREX supports a media resource center in Namagan that provides technical resources, Internet access, and training

Tamara Prokopieva, director of TV Orbita, said, "Instead of protecting media interests by solving their problems and representing their interests within the government, the director of NAESMI is establishing a commercial organization that will create a television network."

workshops. Alo Khodjaev, chief editor of the Tribuna website, noted that media managers are often reluctant to send their employees for training because they are so short-staffed. Panelists felt trainings conducted by specialists from Russia and neighboring states were the most popular because of shared experiences and language.

Panelists noted that some government universities have attempted to update journalism education programs, but the curricula remain badly outdated and the resources limited. Study-abroad opportunities are very limited, and the government no longer supports them.

Nevertheless, journalists do find opportunities to develop their skills through various trainings conducted by local and international organizations.

In 2004, a government decree on the regulation of publishing activities set stricter registration

requirements for printing houses. As a result, Karim Bakhriev, deputy director of Internews in Uzbekistan, said, "The publishing house Ijod Dunesi that published Internews' collection Erking Suz (Free Word) was shut down." Television and radio transmitters are under the direct control of the government, and channel allocation is controlled by a special government-appointed commission. Print media are distributed by Matbuot Tartokuvchi (formerly Soyuzpechat), the central post office, and private distributors.

The Uzbekistani government, with the cooperation of Internet service providers, shuts down access to the Internet and blocks websites that publish alternative viewpoints. This censorship covers not only the websites of opposition parties, but also purely informational websites, including www.fergana.ru and the sites Eurasia, Arena, Svobodnaya Asia, Navigator II, and Ozod Uzbekistan (Free Uzbekistan).

Panel Participants

Alexander Hamagayev, editor, Tashkent International radio

Alisher Taksanov, journalist, *Times of Central Asia* newspaper, Tashkent

Alo Khodjaev, chief editor, Tribuna website (www.tribune.uz), Tashkent

Aisulu Kurbanova, chief editor, Zamon.info, Tashkent

Inera Safargaliyeva, chief editor, Arena website (www.freeuz.org); stringer, Russian service of radio "Freedom"; expert, Extreme Journalism Center, Tashkent

Karim Bakhriev, deputy director, Internews Uzbekistan, Tashkent

Tamara Prokopieva, director, TV Orbita, Angren

Toshpulat Rakhmatullayev, journalist, chairman, Samarkand branch of the National Press Center of Uzbekistan, Samarkand

Marfua Toktakhodjaeva, director, Women's Resource Center

Moderator

Elena Buldakova, Bishkek, Kyrgyzstan

Observers

Mumtoz Abdurazzakova, regional director, IREX, Uzbekistan

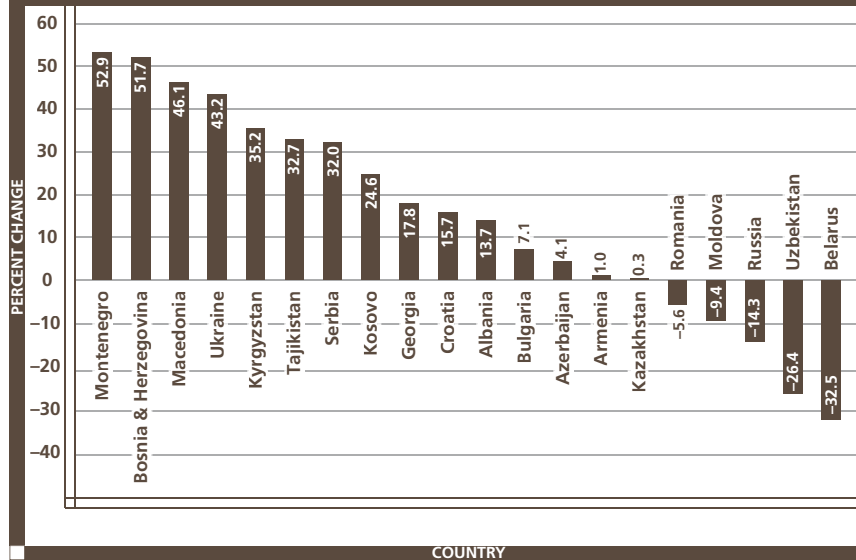
Julie Kim, political-economic officer, US Embassy

UZBEKISTAN AT A GLANCE

GENERAL (data from CIA World Factbook)

- **Population:** 26,410,416 (est. July 2004)
- **Capital city:** Tashkent
- **Ethnic groups (% of population):** Uzbeks 85%, Russians 5%, Tajiks 5%, Kazakhs 3%, Karakalpaks 2.5%, Tatars 1.5%
- **Religions (% of population):** Muslim 88% (mostly Sunnis), Eastern Orthodox 9%, other 3%
- **Languages (% of population):** Uzbek 74.3%, Russian 14.2%, Tajik 4.4%, other 7.1%
- **GDP:** US\$43.99 billion (est. 2003)
- **GDP per capita:** purchasing power parity: US\$1,700 (est. 2003)
- **Literacy rate (% of population):** 98% (According to unofficial data, however, it is much lower.)
- **President or top authority:** President Islam Karimov
- **Next scheduled elections:** Presidential December 2005

MSI AVERAGE SCORES—PERCENT CHANGE 2001–2004

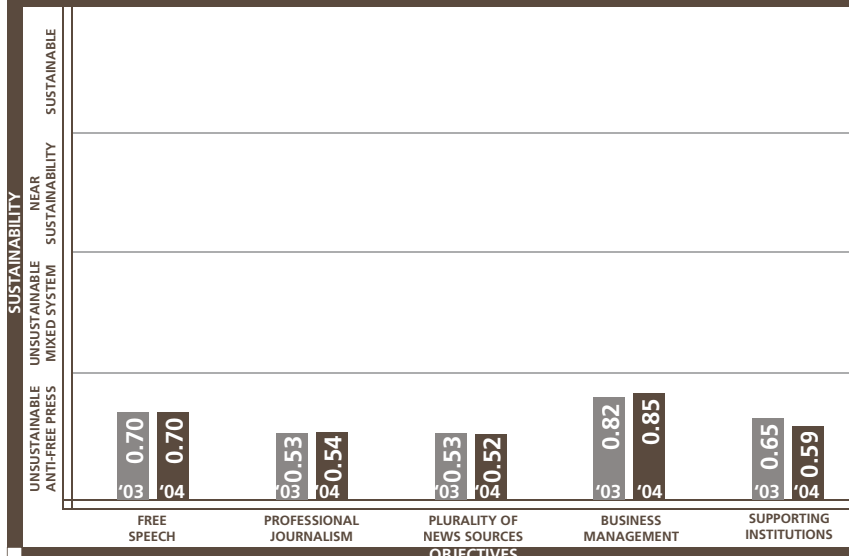


INFORMATION IN MEDIA

- **Newspaper circulation statistics (total circulation and largest paper):** *Darakchi* (250,000 copies); *Prestige*, *Tasvir* (around 10,000 copies), *Molodej Uzbekistana*, *Narodnoe Slovo* (government paper), *Pravda Vostoka*
- **Broadcast ratings:** The most popular radio stations are Uzbegim, Eho doliny, Grand, Oriat FM, and Poitaht. The most popular television channels are Eshlar telekanali and UzTV-1 (covers all regions).

- **Number of print outlets, radio stations, television stations:** There are 968 registered media outlets, including 96 Internet providers. www.freeuz.org. There are 700 print media outlets and around 20 television and FM radio stations.
- **Number of Internet users:** No more than 3% of the population uses the Internet.
- **Names of news agencies:** Uzbek agency, Turkiston Press, Djahon, Karakalpak

MEDIA SUSTAINABILITY INDEX: UZBEKISTAN



Media Sustainability Index 2004
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